# THE FINANCIAL POST

*The Canadian Newspaper for Investors*

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## MANUFACTURERS SHOULD NOT FEAR TARIFF INQUIRY

### Mistake to Oppose Course Already Decided by Government

### A GOOD SUGGESTION

### Appointment of Independent Advisory Commission Should Appeal to All Classes of Canadian People

**By Resident Representative.**

OTTAWA.—The suggestion of the appointment of an independent tariff commission to act as an advisory committee to the Minister of Finance in the revision, maintenance or adjustment of duties is one which will undoubtedly appeal to the great majority of Canadians as a fair and intelligent method of dealing with this very controversial subject. Such has been the upheaval in industry that any revision of the present schedules should be approached only after all interests have been considered. Some duties are no doubt too high, others are fully justified and some indeed may not be high enough. Besides the first consideration in any tariff policy in Canada must be revenue. It may be pointed out also at this time that THE FINANCIAL POST has long and consistently advocated such a commission as now proposed by the Canadian Manufacturers' Association—a commission to be entirely free of politics and to be composed of practical competent representatives of labor and agriculture as well as of the manufacturing industries.

Action at this time was no doubt prompted by a statement made in the House during the spring session by Sir Thomas White, at the time of his budget speech. He pointed out that the policy of Canada had been to have a general tariff revision at intervals of about ten years. There has been none since 1907. He stated that he considered that there should be a thorough inquiry conducted by the Minister of Finance and two or more colleagues representing the different geographical sections of Canada, and that "it might well be commenced about autumn of this year."

#### A Tour of Inquiry

Sir Henry Drayton apparently agrees with this policy, for he has stated that as soon as the final work of the Victory Loan is cleared up the ministers will go on tour and make this inquiry. As much of the time to be devoted to it will certainly be occupied in the West, and as severe weather is coming on apace there, it seems probable that the investigation will begin almost immediately.

The main object of the delegation from the Canadian Manufacturers' Association was to protest against the Government carrying out its intentions. They asked that the proposed inquiry be abandoned, as in order to bring in a report in time to permit of tariff re-adjustment before the next budget came down the work would have to be done in such a manner as could not be called by any stretch of the imagination "a scientific revision of the tariff." They suggested that the whole question of the revision of the tariff be left in abeyance for the present, and that a permanent tariff commission be appointed.

#### Not Good Politics

It may be observed that Sir Thomas White, when discussing the matter in his budget speech, said: "This inquiry should proceed with its work just as soon as conditions are sufficiently stabilized to permit. My own view is that it might well be commenced about autumn of this year." In view of this definite pronouncement in Parliament, upon which, it may be said, the Western members who stood by the Government at the time when Crerar and others took to the cross benches, have been placing absolute reliance, it does not seem to have been altogether politic for the Canadian Manufacturers' Association to undertake to have the Government make a complete reversal of policy. As a matter of political expediency, if nothing else, immediate activity of some sort on the tariff is necessary to the undivided strength of the Government at the next session of Parliament.

The ministers who will constitute the party making the inquiry will probably number three: Sir Henry Drayton, as chairman, is certain; but the choice of the other ministers will be more difficult. On a matter such as the tariff, which has been so closely allied with party politics in the past, it will be necessary to go carefully. The only Eastern minister available is Hon. A. K. Maclean, whose views on the tariff before entering Union Government are well-known. The Western ministers are Hon. Messrs. Meighen, Calder and Sifton. The former would be the one of the three who would probably be appointed to balance the appointment of Hon. Mr. Maclean; but his name would immediately arouse suspicions in the mind of the suspicious Westerners. On a matter such as the tariff, which the West has made its own in recent years, it would be hard to appoint a man who is considered unsympathetic to the present powerful farmers' movement. Probably Hon. Mr. Sifton will be the choice of the Government. He was a low tariff man, but he has not been working very hard at it lately.—T.M.F.

## CABINET-MAKING AT THE CAPITAL

### Lloyd Harris Would be Popular as Minister of Trade

### Has Sir George Foster the Punch for London Office?

**By Resident Representative.**

OTTAWA.—With the return of Sir Robert Borden and several other members of the Cabinet to the capital this week, interest in the political situation is renewed. Since the House adjourned three weeks ago, Ottawa has been almost as bare of ministers as the front benches of Parliament used to be last session. The faithful Minister of Justice, who is seemingly past the age of jaunting, has been almost alone.

Before Parliament meets, also, the Government has to consider the matter of Cabinet reconstruction. This is being urged in many newspapers which have given the Government support. Particularly Sir Robert Borden has been urged to do something constructive with the Department of Trade and Commerce—probably the most important department of all, and the one most neglected. It has been reported that Sir George Foster would go to the High Commissionership in London, which would, perhaps, help to open the way for a solution of one end of the problem, but would accentuate the weakness at the other, if that is possible. Sir George is now seventy-two years of age, and has naturally ceased to take his career seriously. He has to a large extent lost his interest in politics, and when that can be said of Sir George Foster it means that he has lost his interest in mundane affairs generally. Obviously, his appointment to a position where a large part of his work would be to put up a vigorous fight for world trade, would be a mistake. Yet it looks as though the Government would make that mistake. Lloyd Harris would probably take the position of Minister of Trade and Commerce, and his appointment would be well regarded everywhere.

The difficulty of the Government is a timidity over opening any constituency, with the political current running the way it has been lately. Perhaps it is to prepare the way for a more favorable opinion that a speaking tour has been arranged for Hon. Mr. Meighen and other members of the Cabinet in different parts of the Dominion, when they will try to create a more favorable sentiment. If they feel that they have done so, some long-expected removals from the front benches may be looked for.—T.M.F.

## STEEL MEN ARRIVE

### English Syndicate That Bought "Iron" Stock, in Canada

**By Resident Representative.**

MONTREAL.—Sir Harry McGowan and other members of English syndicate who bought block of Dominion Steel stock arrived here to-day. It is believed that programme will be drawn up for large developments of company.

## WESTERN GRAIN GROWERS REFUTE ROGERS' CHARGES

### Saskatchewan Co-operators Are Strong for Government Control

### EMBARGO RENEWAL

### Much Speculation in Western Canada Grain Circles as to What the Effect Will Be

**By E. CORA HIND,**
**Commercial Editor, Manitoba "Free Press."**

WINNIPEG.—There is much speculation as to what will be the effect of the lifting of the embargo on Canadian wheat into the United States, but probably the results as to money in the pockets of the farmers will be small. On Wednesday, the 26th, Hon. Robert Rogers came out with a broadside against the Government and the Wheat Board for fixed prices and the pooling of expenses. He accused the Government of having gambled in wheat, and of the Wheat Board preventing the farmers from securing the advantage of the higher markets in the United States, and Thursday the Press carried dispatches from the Saskatchewan Co-operative Elevator Company's annual meeting which represents something like 50,000 farmers, stating that that body passed strong resolutions endorsing national selling of our wheat crop for all time to come, and further, urging that the Wheat Board do not permit Canadian wheat to cross the boundary in car lots.

This apparently gives the lie to Hon. Bob's claim that the farmers are being robbed and that we should have open markets. If the farmers want national selling continued and the crop of the present year, at least, kept in Canada, why should the rest of the country worry?

The United Grain Growers are in session in their annual meeting, and it will be interesting to see whether they, as the official commercial company of the farmers, endorse national selling and the prohibition of Canadian wheat into the United States.

In the words of the American senator: "Where are we at?"

The "U.G.G." and the "Sask. Co-op.," as they are familiarly known in the West, do not always see eye-to-eye in matters regarding the disposal of crops. The U.G.G.'s have 35,000 shareholders.

The railways are very hostile over the statement that they have fallen down in carrying the wheat from Western Canada.

## SAYS LIBERALS AND FARMERS ARE DEMANDING WHAT THEY NOW HAVE

Are the tariff reform leaders merely playing politics? Are they, in fact, arousing the enthusiasm of blind and enthusiastic supporters by crying for something which has already been granted? The Port Arthur *News-Chronicle* answers "yes" to both questions; further the *News-Chronicle* says that the platforms of the Liberal party and of the Farmers' party are "for the most part, the cheapest of political trickery." It argues the question at length; we quote in part:

> Each platform appears to have been built upon a common assumption, namely, that it is always safe to advocate the creation of a condition that already exists—provided, of course, that a sufficient proportion of the people affected are prepared to accept a demand of their leaders for its creation as proof that it does not exist.
>
> What would the rank and file of Canadian farmers say, for instance, if they were informed that between seventy-five and ninety per cent. of the items their platform demands, in respect to freedom from tariff, are already free; that the basic materials used in the manufacture of much of the rest is free, and that the platform asks less than the tariff already allows?
>
> What would the rank and file of the general public say, if they were informed that ninety per cent. of what the Liberal platform asks to be placed on the free list, is already free; that most of it has been free since the last revision of the tariff in 1907; and that the Liberal platform also asks less than is already given?
>
> Yet that information, contained in both the above queries, is absolutely correct, as a study of the Canadian customs tariff shows.

## DEVELOPING FOREIGN TRADE FOR CANADA IS NO "PIKER'S" JOB

### Lloyd Harris Advocates Empire Trade Council of Competent Business Men—Urges Canadian Manufacturers to Produce for Export

### Says We Should Continue to Aid Stricken Nations With Credits and Goods—If U.S. Thinks Different, "God Help the United States"

#### LLOYD HARRIS DISCUSSES EUROPEAN TRADE CREDITS

Criticism of the policy of granting credits to European countries was undoubtedly in the mind of Lloyd Harris when, at the Manufacturers' Association luncheon he referred to the great advertisement which they had been for this country, and how they had opened the way for present and future business in both a practical and a sentimental way. It was evident that he believed that what had been done had been quite properly done and that Canada would reap the benefits of a policy which had brought her to the favorable attention of the whole world. Mr. Harris also indicated that further credits would be in order—but not necessarily Government credits.

At the same time, while endorsing the Government's general policy he criticized the methods employed. The Government wanted each inquiry referred to Ottawa, and then sent out to all Canadian manufacturers. Under such an arrangement the orders would be placed in other countries long before Canadian offers were received. This, in the opinion of most business men, was what Mr. Harris went overseas to avoid—to be on the job and get the business when it was going; that is what he did.

With all the domestic business they can handle—orders for everything they can turn out at profitable figures—it is difficult to get Canadian manufacturers to consider foreign trade. That is the situation in Canada today referred to by Lloyd Harris after his return from Europe where he has been strenuously and successfully fighting to open the markets for Canadian products. At the luncheon of the Manufacturers' Association at Toronto this week he endeavored to prod the manufacturers out of this "sufficient unto the day" attitude. He told them of the business waiting them in Great Britain, in war-devastated Europe, and in the other British Dominions. He urged them to lay the foundations now when the opportunity offered to establish trade connections which will be invaluable in the days to come. He emphasized the burden which the war has laid upon the nation and the necessity of maintaining industrial exports in order that our balance of trade may be kept healthy and the money provided to finance the national debt. And he appealed to the manufacturers and to all Canadian people to co-operate in bringing relief to the war-stricken countries of Europe, not for charitable reasons alone, but because if they suffered social and economic disaster we would also suffer. He quoted a big American corporation head as saying that American banks should not finance foreign loans; if this was the attitude of the people of the United States—but he did not believe it was—then "God help the United States."

Mr. Harris referred candidly to the fact that manufacturers were not popular in Canada. He referred to the peculiar public spirit of the day which could be made to see all prosperous business as profiteering; success as a crime. At the same time he expressed the opinion that a country which could make the record which Canada had in turning out munitions of war and in raising national loans was fundamentally sound, and if properly educated could be enlisted in an industrial movement which would make Canada a factor in the markets of the world, bring prosperity to the Canadian people and make easy the carrying of the financial burden of the war.

#### Results Obtained

As proof of what Canada had done in the way of manufactured exports, Mr. Harris referred to the fact that during the period of the activities of the Trade Mission at Washington, business to the extent of about $250,000,000 had been secured, while the orders from the other side of the Atlantic has reached about the same total. But foreign trade was not to be approached in anything but a serious and aggressive spirit. Trade had to be sought on a scientific basis

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## JOCKEYING FOR CONTROL OF BIG STEEL INTERESTS

### Did Workman "Put One Over" on Grant Morden's Crowd or Have They Two Strings to Their Bow—Why All the New Capital?

**By Resident Representative.**

MONTREAL.—The livest subject on the Street still remains the varied currents affecting the future relations of the Dominion Steel Corporation, and some extensive merger such as was referred to a couple of weeks ago in THE FINANCIAL POST.

A further air of mystery was lent to the purchase of the 50,000 shares of "Iron" stock by an announcement of Col. Grant Morden that the next step of the new interests would be the provision of $10,000,000 to $15,000,000 to bring the Steel Corporation into good shape. Officials of the company itself declare they are in ignorance of just what is meant, and there is a disposition on the part of some to inquire just what particular authority even large shareholders such as figured in the recent deal have to speak of plans involving four times as much as the big block of stock cost them.

There is a persistent story that the sellers and not the buyers of the $3,500,000 worth of Dominion Steel stock got the better of the deal in one particular, the voting power. As was announced before in these columns, one of the purposes behind the offer was to sevure the 50,000 votes that rested with the management through the James Ross block of stock. A story that is getting credence is that the bidders did not specify this particular block in making their offer, taking it for granted that they would get it any way, but that they were rather out-guessed by the astute president, who handed over authorized stock, but without inherent voting powers, which adhered to the Ross block simply because this had been stipulated as one of the conditions under which it was acquired. The net result is that instead of the voting power being confined to 370,000 shares it is extended to 420,000, which would require 210,001 as a majority in place of 185,001.

A contrary opinion to those who appreciate the strategy of President Workman with regard to the new stock issue is that Grant Morden and the interests he represents have been in the market in a quiet way for a long time and that they have acquired a voting power which will give them such control they want even under the conditions referred to.

## MARKETS SOFT AS THE RESULT OF IMPENDING STRIKE

### Feeling That Garfield and Government Are in Tight Place

### A SERIOUS ISSUE

### Tie-Ups of Coal Mines Would Soon Affect Industry and Business—Might Spread to Other Industries

The American markets went soft as the result of the break in the negotiations between the mine workers and owners and the imminent possibility of a big labor struggle which would not only tend to stiffen the hand of the steel strikers but might draw in other industries, while at the same time seriously interfering with industrial and business operations throughout the country. Canada reflected the influences, which are both sentimental and practical in local application. The announcement of the Grand Trunk that some ninety trains in Ontario would be taken off is only one indication of what a protracted strike in the American coal fields would mean for Canadian industry. Manufacturers have substantial stocks on hand, but if output is stopped it will be only a matter of time until the situation becomes very serious.

Opinion seems to be that Garfield and the Government have bungled the negotiations. Facing the situation as it is, it does not seem reasonable that the public interest will be made to suffer the consequences of a long tie-up. It cannot be forgotten, however, that in this case the miners are likely to have the support of a large section of the public, and the Government is handicapped by the reported promise of Secretary Wilson for a 33 per cent. increase as opposed to that of Controller Garfield of 14 per cent. How either of these advances can be enforced, however, without increasing the retail price or without restricting output will not appear clear to practical students of the situation.

The Canadian stock markets have, generally speaking, been making a good showing of late, and New York was also performing consistently well following the break until this strike development. The bond market is resuming activity but conditions are

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## THE POST

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H. B. SHAW,
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# SWEAT MACHINERY AND NOT THE MEN IS LEVER'S PLAN

## Twelve-Hour Day For the Factory, With Men Working Only Six

## FREE MEALS GIVEN

### Baron Leverhulme, British Industrial Magnate, Comes to America to Tell Employers Here of His Scheme

Baron Leverhulme, who calls himself the "happiest chairman of any company," has arrived in the United States to explain to American employers the scheme for a six-hour day which is to be put into force in all the plants of Lever Brothers, Ltd., in England, Europe, the United States and Canada. The Lever scheme must not be confounded with the ordinary six hour day advocated by many labor leaders; his factories operate twelve hours a day, but as the employees work in two shifts, it is the machinery that does the extra work and not the men. "Sweat the machine and not the man," is Baron Leverhulme's principle.

The six hour day has not yet been adopted in all the Lever soap factories, as there has been opposition from some labor leaders, and problems of supplies of raw materials to deal with. The Baron hopes to get started on his scheme very shortly though. Describing it to the board of directors of Lever Brothers at the annual meeting held at Port Sunlight, near Birkenhead, England, this spring, Baron Leverhulme said:

"We shall work in two shifts, six hours each shift. The morning shift will commence at 7 o'clock, and, after a break of a quarter of an hour from 8.45 for some light refreshment, they will continue to work until 1.15 p.m. At 1.15 the morning shift work for the day will be over. They will not return to their work until 7 o'clock the next morning. This makes a total of six working hours per day, with fifteen minutes break for a meal, for six days in the week—Monday to Saturday included.

#### Saturday Afternoon Free

"When we come to consider the afternoon shift, there is a strong feeling and desire to retain the Saturday afternoon half-holiday, notwithstanding that every alternate week there will be a whole week of half holidays, and to meet this wish the afternoon shift will only work five afternoons, the average being seven hours twelve minutes each afternoon, instead of six afternoons of six hours. Therefore, the afternoon shift will commence at a quarter past one (there will be a break of half an hour for refreshment from 4.45 to 5.15 p.m.) and will stop at 9 p.m., but on Friday work will stop a quarter of an hour earlier at 8.45, so that the weekly average is thirty-six hours. With regard to the shift-workers—that is, continuous workers—to divide the twenty-four hours into four shifts of six hours each instead of three shifts of eight hours each which is our present working day, would create a difficulty with the night shift Home life must be considered, and home life requires that a man on the night shift should leave home somewhere about 9.30 or 9.45, so that the household can be closed and all go peacefully to bed at ten o'clock; and he should not return until 6.15 or 6.30 in the morning, when the household would be up. To ensure this will mean a little irregularity in the working. It means that on the night shift a man will work eight hours, as at present, starting at 10 p.m. and finishing at 6 a.m., but this will be balanced by the days when he is only working five hours and twenty minutes, and this in a month will give exactly six hours a day, so that one week out of the four a man will be working eight hours at night and the other three weeks he will be working only five hours and twenty minutes a day. Of course the shifts will be changed weekly.

#### Free Meals Are Given

"We propose to provide light meals at the firm's expense—free to the workers We feel that it will save enormously in timekeeping and actual running and will simplify the catering. The light refreshments will be tea, coffee, cocoa, bread and butter, and sandwiches, entirely free, at counters adjacent to where the men are working. Neither men nor boys nor girls will require to walk further than is represented by getting out of a railway train and going to the refreshment room. I have tested what you can take at a refreshment room in a quarter of an hour, and I find, if I tried, I could eat more than is good for me. So that there is ample time for refreshment.

"The rate of wages will be exactly the same for a 36-hour week as for a 48-hour week. This is obviously essential, but it is equally certain that the staff can accomplish the work without adding any expense to the company by so organizing the carrying on of the work that no increased expenditure will fall on the company. The staff freely recognized in all our discussions that to add to the cost of making soap would be to handicap us not only with firms in the United Kingdom, but with firms all over the world whom we meet in competition in the export markets, so that the determination of all of us is that the same wages will be paid and increased leisure obtained without adding to the cost of the article or making prohibitive the expense on the business.

#### Worker Wants Leisure

"I am convinced it is no new idea at all that the workers require more leisure. I have noted for many years that after a certain point has been reached in wages or salary—that point being a line past the subsistence level—the greatest desire of the workers of this country has been for leisure, so that a man might lead a life free from the sordid care and daily monotonous task of mechanical industry. I am convinced that leisure is as essential as wages for the proper dedevelopment and education and position of the citizens of this country."

## DRAWING COLOR LINE

### Loew's Theatres, Montreal, Appeals Against Decision of the Superior Court

The right of a theatre to refuse the admittance of a colored man to an orchestra seat is the basis of an interesting action which has been heard in the Superior Court at Montreal; decision was given in favor of the plaintiff in March last. Loew's Theatre Company made an appeal. Reynolds bought a 25-cent admission ticket, but after entering the body of the theatre he was refused a seat in the orchestra, being told that colored people were not allowed in that portion of the house. He refused to go to the mezzanine floor as directed, nor would he take his money back when it was tendered to him.

In the appeal board this week the company contended that it acted in accordance with a clause printed on the ticket that "the management reserves the right to refund amount paid for this ticket and revoke all privileges originally granted the purchaser." It was argued that the theatre was a private enterprise and had the right to make admission conditional.

The respondent's council submitted that in this country colored and white people were governed by the same laws and enjoyed the same rights without any distinction. Moreover, the law of contract applies in that the ticket gave the right to a seat in the orchestra. From the moment the ticket was collected the management entered into the contract. Judgment was reserved.

# DIVERTING OF WHEAT WOULD HURT MILLERS

## Lifting of Embargo on U.S. Imports Creates New Problems Here

With the raising of the United States embargo on the import of wheat, a new variable has entered into the Canadian milling business; the probability of any serious amount of export business in wheat to the United States. Should any such condition arise, it would unequestionably be a serious matter for the milling concerns. It would be an export of grain, whereas the European exports are largely, owing to the strong representations made by the millers, exports of flour. This not only throws the business of milling into the hands of the Canadian mills, but permits the retention of the much-needed feeds within the country.

On the other hand, the Canadian farmer was given a minimum price of $2.15 on the understanding that the wheat would be sold on the best market, and that any amount over and above that figure would be divided equitably among the producers. The Canadian Wheat Board was created entirely for the purpose of handling Canada's wheat crop, and for making good to the Canadian producer. Now it is a question of what attitude the board will adopt to the matter. Minneapolis quotes $2.90 to $3.00 for No. 1 hard, and against this there is the Canadian price of $2.15 f.o.b. Montreal.

Some members at least, of the Canadian Wheat Board, are of the opinion that the board has no other alternative under the terms of the Order-in-Council which created the board, but to sell on the highest market, which at the present time is unquestionably that of across the line. All shipments across the line must be licensed, but it is understood that there has been no instance of refusal where an application for export license has been made. The question as to whether this factor is to be a serious one or not rests upon a few simple conditions. First, whether there is enough free wheat, not yet disposed of by the Canada Wheat Board to make any appreciable difference, and that is probably the large factor, for it is known that the Canada Wheat Board has disposed of a considerable part of the crop, and these sales made in good faith would, of course, be binding. Then there is the question as to whether the board would consider that their duty under the Order-in-Council compelled them to favor the American market as opposed to the Canadian, and there would also be the consideration of whether American prices would hold up under any material influx of Canadian wheat, or whether American price would soon be driven down on a line with the Canadian minimum. The actual effects of this action on the part of the United States, can only be roughly estimated at the present time. There is a feeling, however, that a sufficiently large amount of grain has been disposed of to Britain to render this change a matter of comparatively little danger to the milling industry.

# GENERAL MOTORS SAVINGS SCHEME WORKS OUT WELL

## Steady, Satisfied Workers Worth More Than Company's Outlay

## SAVINGS DOUBLED

### Employees Who Leave Their Money in Savings Fund for Five Years Draw 6% Interest—Their Deposits Doubled

By Staff Representative

OSHAWA.—When the McLaughlin system of factories became part of the General Motors chain, the 2,500 local employees of the organization came into the benefits of the American company's savings and investment plan, a plan that enables workers in the General Motors plants not only to save money and invest it at 6 per cent., but to double their money as they save. The plan has cost the corporation a great deal of money, but it has been beneficial in inducing employees to hold their jobs, instead of shifting to other employment; it has enabled many of them to become stockholders in the company, giving them an added interest in their work; and it has enabled a large proportion of the employees to buy their own homes.

There are two funds. One is the "Employes' Savings Fund." Each employee has the right to pay into this fund each year an amount not to exceed 10 per cent. of wage or salary, and in no event to exceed $300 per annum. When a payment is made into the savings fund, the company pays into the "Employees' Investment Fund" an equal amount. In other words, the corporation duplicates the employee's savings "dollar for dollar," and credits 6 per cent. interest to each fund semi-annually.

#### One-Fifth Each Year

At the end of one year from each payment, the company appropriates on from the investment fund, a sum equal to one-fifth of the amount placed by the employee in the savings fund, plus interest, and adds it to the employee's savings account. Each successive year afterward an additional one-fifth of the amount is added, so that at the end of five years, without taking into account interest payments, the original amount has been doubled.

The money in the funds is invested at the discretion of the company's finance committee, preferably in stock of the company. In many cases the fund has been invested in stocks that have appreciated in value, and in this case when the employee wishes to draw part of his money from the fund he is given full credit for pro-rata share of that appreciation in value. But should the securities purchased lose a part of their value the company bears the loss.

#### Company Benefits Too

It will be seen that only employees who remain five years with the company really reap the full benefit of the funds, although those who remain for one year only have the amount of their savings increased by a 20 per cent. bonus, and those who stay two years, 40 per cent., etc. If employees withdraw their savings before the end of five years, the amount that in due course of time would have been added to his account goes into the general fund to be distributed pro-rata among those employees who keep their savings in the account for five years. In other words, the "steady" employees benefit to a greater extent than the others, though not at the expense of the employee who draws out his money before maturity.

"We do not count this fund as an expense," said G. W. Hezzlewood, secretary of the General Motors of Canada, Ltd., describing the plan to THE FINANCIAL POST. "The benefits that accrue to the company from a steady, satisfied group of workers more than make up for any outlay involved."

## AFFAIRS OF O'HARA & CO.

### Customers Will Receive About 43 Per Cent. of Preferred Claims

The matter of the settlement of the affairs of the defunct investment house of O'Hara & Co., Toronto, as proposed to the creditors by Assignee G. T. Clarkson, holds considerable interest for the investment public. Claims have been divided into three classes: Creditors of the estates of Henry O'Hara and S. B. O'Hara will be paid in full according to the plan proposed. Creditors of the preferred estate, being customers with equities in stocks and bonds purchased or held on account will receive a dividend of 27¼ per cent. from the preferred estate, and thereafter 14 per cent. to 18 per cent. from the general estate on the remaining 72¾ per cent. of their claims, a total of about 43 per cent. of their claims against the preferred estate.

The personal estate of the late Henry O'Hara amounted to $6,309, of which $4,000 was life insurance. The estate of S. B. O'Hara amounted to $19,576, including a stock exchange seat valued at $8,500, but this was reduced by $15,375—a note liability to Mrs. O'Hara—and some smaller items to $1,501.

Assets in the preferred class, including dividends, equities in securities, etc., amounted to $38,258, which is 27¼ per cent. of the preferred liabilities of $140,291. The statement of the general estate of the company shows a net balance of $23,057.

Proceeds of stocks in the hands of lenders are not available to the creditors as a general body, but are regarded as the absolute property of the specific customers for whom they were held, but subject to the claims of those whose securities were sold to reduce the debts against them. Those whose stocks were in the bank are to rank in full for their claims, and those whose securities were sold for one half of their claims aginst such shares. Under this list there were claims of $108,490 upon the preferred estate and of $45,148 upon the general estate. Claims of creditors other than clients total $7,997.

## MORTGAGES TRANSFERRED

The British and American Mortgage Company, Ltd., a British concern having mortgage holdings in Western Canada and throughout the Southern United States, has been acquired by the old Dominion Trust Company, of Richmond, Virginia. Some 4,000 mortgages will be transferred, totalling about $7,500,000. The American offices of the British and American have been located in New York and Dallas, but will now be moved to Richmond.

# U.S.A. MINERS COULD PRODUCE MORE COAL

## Deliberately Reduce Production, is Charge of Coal Expert

CLEVELAND.—That miners deliberately reduce production was the charge of George H. Cushing, manager of the American Wholesale Coal Association, discussing coal production in relation to labor. Mr. Cushing estimated that 570,000 coal mines could be operated in the United States instead of 7,500 as at present, and, although he did not advocate opening up so many mines, he felt that miners could increase production by 200,000,000 tons per annum from mines at present being operated.

Mr. Cushing said:

"We have in actual operation to-day about 7,500 mines. Each of those mines has enough coal to keep it going for at least 25 years. With the present equipment of men and machinery, they can produce enough coal to supply all America needs—485,000,000 tons annually;—take over the export trade of England and Germany—108,000,000 tons; and have an idle production capacity of close to 100,000,000 tons of coal a year. Since we are only shipping about 8,000,000 tons a year into export—excluding shipments to Canada—we have a productive capacity in mines, men and machines of about 200,000,000 tons annually, which we are not using. Coal mines are worked about 210 days instead of a possible 300 days.

"One of the first efforts of the miners' union was to prevent the use of labor-saving machinery. There is a new machine which will cut and load 300 tons a day in one room. No room to-day produces more than 10 tons a day. The union will not allow this new machine to be used.

"The second effort was to limit the number of men who could load coal behind a coal-cutting machine. A rule of the union made 15 or more years ago is that only 14 men might load behind a machine. Those same machines have a productive capacity ten times what it used to be. The numbers of loaders permitted to work behind one, however, has not been increased.

"The third effort of the miners was to make it unprofitable for the operator to use machinery. The first field to use machinery was allowed a differential between machine-mined coal and hand-mined coal of 20 cents a ton. In the fields which subsequently came to use machinery that differential was reduced to seven cents a ton. The miners have steadily fought for a reduction of all machine differential or their complete elimination."

## A WAR-TIME TOWN

### B.C. Government Is Taking Over Model at Thurston Harbor

By Special Representative.

VANCOUVER.—Through the gift of the Imperial Munitions Board the Provincial Government assumes control of a model town at Thurston Harbor on the Queen Charlotte Island. When the war was on and the need of spruce for aeroplane construction became so great, camps sprung up with surprising frequency and that at Thurston Harbor was one of them. The Imperial Munitions Board built house accommodation for its employees as well as a hospital, office and many other buildings. The entire establishment has now been taken over by the forestry department of the Victoria administration.

# "BLANKET" ORDER FOR PROFITS IS UNBUSINESS-LIKE

## Conditions Demand Big Variation in "Mark-up" According to Merchandise

## IGNORANCE AT WORK

### Board of Commerce Not Familiar With Ephemeral Values According to Fashions, Etc.—Net of 3% Only

By Resident Representative.

MONTREAL.—That "blanket" order of the Board of Commerce arbitrarily fixing the amount of profits that a retail store in Hamilton could make, disregards any distinction between varying standards of profits that have always been recognized in the trade. When a certain practice prevails among all classes of merchants, and has prevailed from time immemorial, no matter how keen the competition; and when that practice of varying levels of profits dependent on the class of goods has been decided on by an innumerable number of retailers, independently, and through long experience, it is pretty good evidence that it is justified. The general order of the Board, therefore, shows little insight into retail business conditions.

One of the outstanding departments where a grading of profits has proved absolutely necessary is that of dry goods stores, and the ready-to-wear department in particular. Here the merchandise is in the main at the mercy of fashion. If the goods are not sold in a couple of months or so after first being offered for sale, the value deteriorates; if held over a few months longer the value may be cut to one-quarter or ten per cent. even of the cost price, involving a heavy loss, and the wiping out of previous profits on the early sales. It stands to reason, then that the profits on fashionable goods, especially those of high price and the more extreme fashion, must be marked up much higher than on ordinary staple goods.

This point is worked out by H. F. Kenyon, of Fairweather's, Montreal, who has had a long experience in several Canadian cities in merchandising. His first point is to distinguish between the "mark-up" on the cost price, and the actual profit, which is figured in terms of the selling price.

### 37 Per Cent. Not 60 Per Cent.

"A little while ago I saw a heading in a daily paper, 'Merchant makes about 60 per cent. on clothing,' and the article proceeded to give the invoice and marked selling price on an individual garment. If the merchant had sold such a garment at the price stated the transaction would have shown a gross profit of less than 37 per cent. No mention whatever was made of what it would cost the merchant to sell the garment. Nor was the percentage taken into the consideration of the garments that the merchant had to sell at a discount at the end of the season. The natural impression made on the mind of the reader was that the merchant made a profit of 60 cents out of every dollar that the customer paid for the coat, that the retail merchants were the real profiteers and were largely the cause of a high cost of living.

### What Profit Actually Is

"In view of the very prevalent yet erroneous idea in many minds I want to be very clear as to what profit is and what profit is not. In a certain ready-to-wear department in a large store the manager found that a percentage of them had been sold in the mark-up of 50 per cent. and the returns showed that if he sold the rest at cost his profit on the total sales would be considered a satisfactory one. He then remarked that, 'As we have a mark-up of 50 per cent. we will sell the remainder at 50 per cent. off this and get our cost on them, leaving the profits that we got on the earlier sales.'

"His principle was an erroneous one If you buy an article for $1 and mark it up 50 per cent., making it $1.50, and then take off 50 per cent., you sell it at 75c, not a dollar, therefore you have a loss of 25 per cent. on your invoice cost. As a matter of fact, an article that costs $1 and retails at $1.50 does not show a gross profit of 50 per cent., but 33 1-3 per cent., because 33 1-3 per cent. is the difference between the amount you get for the article and the invoice price. It seems very simple, but a committee of 100 American experts who compiled a series of merchandising and accounting systems for retail stores figured out that over 20 per cent. of the total retail failures in the United States during the preceding year were due to a failure to understand this point.

"The percentage of mark-up on the invoice cost is not the percentage of profit. If the volume of business is $100,000 and the overhead expenses amount to $20,000, it costs $20,000 to sell $100,000 worth of goods, not to buy $66,666. Therefore, if you buy $66,666 worth of goods at the invoice price and sell at $100,000, the gross profit is 33 1-3 per cent.

### Where Mark-up Must Vary

"On different lines of merchandise the mark-up varies very considerably. On lines that sell quickly on which the turnover is high and where the mark-down, loss or depreciation is small, the mark-up need not be high; but on other lines, the sale of which is slow, and the carrying charge is high, like jewelry or pianos or on merchandise on which the risk is greater, and style changes play a prominent part, and on which the mark-downs and the depreciation are great, like ladies' clothing, or perishable goods, like fruit or cut flowers, where losses are often very great—the risk must be covered and the mark-ups be proportionately higher.

"The percentage of mark-up of the different merchants on the same line of goods varies but little. However, it must be admitted that if a merchant aims to give a better general service, employs a better class of help, with greater technical knowledge, in whose store shopping can be done under less crowded conditions, and in more congenial surroundings and in greater comfort, the cost of doing business is slightly increased, and the mark-ups must be correspondingly higher, but the percentage of increased cost is so small that to a great many people it is more than offset by the extra advantages obtainable.

### Where Style Enters

"In women's suits, coats, dresses and skirts the styles change so quickly that it is essential to sell the goods the season in which they are bought, for whatever the loss may be on the clean-up, experience has taught the merchant that it will be greater if the goods are held over to the corresponding season next year, replacement values notwithstanding. Women to-day are so splendidly posted on style values, that while you might be able to tell, truthfully, the prospective customer the next season, that if the suit was bought to-day it would cost 25 per cent. to 30 per cent. more as the case might be, that would not reconcile her to buying a suit that was in any way 'passe,' or the same in style that she had seen worn the previous season. There is also another reason; showing 'carried-over' merchandise means a loss of prestige, and prestige for style values is absolutely essential to the successful women's ready-to-wear department."

Mr. Kenyon then gave figures in connection with a department where the volume of business was $185,000. He assumed that the stock was marked to show an average gross profit on the selling price of 37½ per cent., which means that the cost price is marked up 60 per cent.

He then gave in detail the actual

Continued on page 11.

# THE TAXPAYER AND THE HYDRO RADIALS

## Some Figures Compiled to Indicate What May be Result at Oshawa

The popularity of public ownership in Ontario has been again proven n the recent voting on Hydro Radial by-laws. But it should not be supposed that there is not strong opposition in certain quarters—stronger than is indicated by the marked ballots. The large taxpayers, and they have a bigger interest and stake in the community than is usually indicated by their single ballots, are becoming apprehensive as to the burdens which they will have to carry in the future. Such is their position, however, that they have taken little active part in the campaigns, fearing that they would be misunderstood by the public and thus lend strength to the public ownership cause.

Take the town of Oshawa for example. All the big manufacturing interests were—inactively mostly—in opposition to the by-law. They looked into the whole proposition from a practical business standpoint and saw nothing ahead but increased tax burdens to maintain a system which could have little hope of ever returning profits, but which will from all expert opinion create a yearly deficit.

Illustrating what Oshawa is undertaking in connection with the Hydro Radials. G. D. Conant submits figures to show a loss of $73 500 in 5 years. These figures are on the basis of earnings of $15,000 per mile—which is more than now earned by any Canadian radial system—and are as follows:

| | |
|---|---|
| Operation, maintenance and interest (commission's estimate) | $1,076,175 |
| Gross earnings from 43½ miles at $15,000 per mile | 652,500 |
| Deficit each year | 423,675 |
| Oshawa's share of this in taxes (on basis of original liability) | 38,500 |

But assuming that the Toronto and Eastern is going to earn as much as the largest earning railway in America, we still have a deficit thus:

| | |
|---|---|
| Operation, maintenance and interest (commission's estimate) | $1,076,175 |
| Gross earnings from 43½ miles at $21,000 per mile | 913,500 |
| Deficit each year for first ten years | 162,675 |

(This deficit will increase after ten years.)

| | |
|---|---|
| Oshawa's share of this in taxes (on basis of original liability) | $ 14,700 |
| Oshawa's loss in five years | 73,500 |
| Oshawa's loss in ten years | 147,000 |

This is a minimum all around. The project will cost Oshawa at least this amount—probably many thousands more.

On the basis of this summary he adds:

"My contention is that if Oshawa enters into this agreement and the present project is carried out, the first five years' operation of the railway under the proposed arrangement will cost the ratepayers of Oshawa at least $73,500 or (if any person prefers) that the first ten years' operation will cost the ratepayers of Oshawa at least $147,000."

# HYDRO MUST PAY

## Appeal For Tax Exemption at Falls on Land Values Disallowed

NIAGARA FALLS.—The Hydro Commission appealed at the Court of Revision against its assessment on other than land values on the Ontario Power Company plant. It asked for exemption from taxation from all except land values. The appeal was disallowed.

# RETAILERS' LOSS HEAVY UNDER NEW RULING OF BOARD

## Margin of Profit Allowed Does Not Cover Cost of Doing Business

## HITS INDUSTRY

### If Such a Condition is Allowed It Means That Ultimately Channels of Distribution Will Close to Consumer

By J. L. RUTLEDGE,
Editor "Canadian Grocer."

The Board of Commerce has followed up its regulation of packing house prices by a further order affecting both wholesaler and retailer. It affects the producer in that its provisions include the statement, that the price for pork and pork products now being charged are fair prices, and that any increase would be considered an unfair price. As has been pointed out time and time again, these prices are not considered fair by men who are in the best position to know, because they are based on conditions of a certain specific date, and the effect of these conditions is carried over to another season, when an entirely different series of conditions are in force. Granted that the Board of Commerce has the power to set and enforce such prices, in the fact of outstanding evidence of their injustice it is something like adding insult to injury to declare these to be fair prices, and so set them as a precedent for other possible regulations.

### Orders Not Clear

But there is a still more important side to the new order respecting bacon and pork, for the setting of a price is a thing of the past,, and that is the setting of a margin of profit to the retailer.

This newest regulation as reported in press despatches, has the same outstanding drawback that has characterized many rulings of the board, and that is the fact that the board, however well meaning they may be, are almost wholly ignorant of the prevailing conditions of doing business, and are a little too ready to make serious pronouncements without reference to their influence on business. For instance, the percentage of profit on bacon, and boned ham is set at 20 per cent. The merchant naturally asks on what basis he is to reckon his 20 per cent., and there is nothing in the published report of the ruling to assist him. Does it mean 20 per cent. on the price he actually pays for the goods? That is probably the viewpoint that any court would take of the matter, yet as every sound merchant knows, 20 per cent. on a buying price is just 16 2-3 per cent. of the selling price, and it is only the profit on the selling price that represents the actual profit to the merchant.

### How Retailer Loses

The lowest cost of business for such retail stores is between 18 and 21 per cent., according to the class of business done. Take the cost of doing business at the modest average of 19 per cent. and on bacon selling for 60 cents a pound the retailer on the basis of profit outlined above loses 1 4-5 cents on every pound of bacon sold. If he slices the bacon he is permitted to take 2 cents a pound more; that would seem almost to let him out even.

There is, however, the large element of waste to be considered here; the ends of the ham or bacon must of necessity be a complete loss, which the merchant who slices his bacon has himself to meet. That the two cent per pound margin is pitifully small to cover these items of loss is illustrated by the fact that the New York City fair price list sets the margin for slicing bacon at 5 cents a pound, believing that it requires that amount to cover the element of loss in the process.

### Effect of Ruling

As for the effect of the ruling. If it has any, it will probably be to limit the retailers' sales on these products. It is well enough to reduce the cost of goods to the consumer, but there must also be maintained a channel of distribution whereby the consumer may get the goods. If the retailer is compelled to do business at a loss he is not likely to be eager to encourage these sales, and as a natural result there will be a decline in sales.

What effect this will have is illustrated in the present hog market. Hogs on Wednesday of this week sold at $16.25 a hundred; they have been dropping steadily for weeks past, and are now the lowest in two years. In the United States the chaining of the packing industry has had a still more marked effect, and Chicago prices are $3 a hundred under Canadian prices, a condition that cannot long continue. The Canadian industry can pay a premium of a dollar a hundred, but no more, so further declines are evidently to be expected.

That is the natural result of the enforcement of an arbitrary system of price regulation. The consumer may benefit slightly, but the industry suffers heavily, and the reaction from such conditions is bound to be a serious factor.

# MAKING CHINESE PAY TAX

## Dominion Government Getting After Transients In B. C.

By Special Representative.

VANCOUVER. — Transient workers in British Columbia are not to escape payment of the Dominion Government tax, according to a statement issued by Inspector of Taxation F. H. Clendenning, who is about to take drastic measures to collect from workers of the mines, fisheries and logging camps who drift about from place to place in the course of a year and who, up-to-date,, have evaded the tax collector. Mr. Clendenning, when in Ottawa recently, outlined a plan to the Federal officials who have just now forwarded their approval of the plan.

Across the line the American officials use field agents who travel around and obtain interim payments from workers in the different camps. They even go so far as to send these agents into Canada where citizens of the republic are working. The local inspector has made a careful study of this plan and will place it in effect here to a large extent. To that end picked men will be engaged and they will comb the entire province. Special attention will be devoted to the Orientals.

# CATHOLIC ACTIVITIES IN LONDON PROPERTY

## Residence of Sir Adam Beck May be Included in One of Many Deals

Interesting developments, which, if carried out in the spring, will result in the city of London, Ont., becoming the Catholic educational centre of the entire Diocese of London, are well under way. Recent purchases of property include forty-five acres of what is known as the Kingsmill farm, just north of the city. On this, it is stated, will be erected buildings to cost about $200,000, to be used in connection with Assomption College of Windsor. A portion of the land will be used for college buildings, which will be in charge of the Ursuline Sisters, whose headquarters are now at Chatham, Ont. The buildings in London, Ont., it is stated, will result in the centering in London of a large portion of the staffs of the two colleges.

In addition to this project, Bishop Fallon's seminary project is expected to get under way in the spring The plans for this building have already been prepared by a firm of Boston architects, and it is stated that the structure will be one of the very finest in Canada, and will cost approximately $500,000. The new seminary will be built on Sunshine Park, which was donated for the purpose by Mr. Philip Pocock, who purchased it at a cost of $20,000.

Unofficial rumors indicate that other important developments in connection with Catholic projects are under way. One story is to the effect that negotiations are under way for the purchase of the block in which Hedley, the residence of Sir Adam Beck, is located. The story goes that Sir Adam may leave London before very long, and make his residence in Toronto, and perhaps move the Beck box factory to Hamilton.

Another rumored deal, is that what is known as the Convent property on Dundas Street, is to be sold and divided for residential purposes, the sisters at present occupying the large building locating in the North end in close proximity to the new seminary and college buildings.

An interesting aspect of the whole matter, from the standpoint of the citizen, is that a large amount of highly-desirable and valuable property may shortly become non-producing from a tax standpoint.

The proposed new Catholic colleges will, it is stated, be closely affiliated with the Western University. Work on a large group of new buildings for the latter institution is expected to commence as early as possible in the spring. Work is already in progress on a new Western University Medical School, to cost $350,000.

# RAILROAD EARNINGS

Gross earnings of the three principal Canadian railroads for the third week of November totalled $7,652,659 as compared with $6,823 953 for the corresponding period in the previous year, an increase of $826.706 or 12.1 per cent. Comparative figures follow:

| | 1919 | 1918 | Change | % |
|---|---|---|---|---|
| C. P. R. | $4,111.000 | $3.582 000 | +$529.000 | 14.7 |
| C. N. R. | 2,108.164 | 1,884.198 | + 223.966 | 11.8 |
| G. T. R. | 1,433,495 | 1,357,755 | + 75,740 | 5.5 |
| | $7,652,659 | $6,823,953 | +$828,706 | 12.1 |

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# BANKS NOW IN GOOD POSITION TO AID BUSINESS

## Big Increase in Current Loans Made During October

## NATIONAL FINANCING

### Holdings of Government Securities Increased by $37,000,000, But Victory Loan Will Reduce Requirements

With an increase in bank deposits of nearly $90,000,000 during the month of October and a grand total at the end of the month of close to $2,000,000,000, it would not seem that the withdrawals on account of Victory Loan subscriptions are likely to have any serious effect upon the funds available for current business. Further the Government will now be in a position to readily discharge its obligations to the banks to go forward without having to draw heavily upon these institutions for national purposes, in the early future at least. The increase in savings accounts was over $35,000,000, bringing the total to $1,262,746,984, while in demand deposits there was the large expansion of more than $54,500,000 to a total of $705,280,241. The large expansion of both demand and savings deposits may be regarded as a reflection of steps by financial institutions and business concerns as well as individuals to arrange their funds for Victory loan purposes.

The call upon the banks by the Government for funds to aid in national financing continued during the month, there being an increase of nearly $37,500,000 in holdings of Government securities to a total of $361,280,956. However, such was the increase in deposits that, by the aid of about $10,000,000 of new financing with the Dominion Government under the War Measures Act, the calls by the Government were readily met and at the same time additional advances of more than $46,000,000 were made in current loans for the purposes of domestic business; such loans now total $1,104,940,160.

Call loans abroad were contracted by over $11,000,000 during the month and $11,000,000 was added to the gold reserve. Canadian call loans were increased by some $2,600,000, current loans abroad by nearly $9,000,000, and provincial loans by over $4,500,000. Gross assets showed an expansion of over $115,000,000 to $2,967,598,948. An increase of $10,500,000 in circulation was an indication of the increased requirements which accompany the declining value of the dollar.

**Compared With Year Ago**

It is interesting to note that compared with a year ago, prior to the Victory Loan of 1918, bank deposits showed an increase of over $247,000,000, of which $61,000,000 represents the expansion of demand funds and over $186,000,000 of savings. There was also an increase during the year of nearly $30,000,000 of foreign deposits. The extent of national financing with the banks this year has been on an increased scale, the holdings of Government securities being greater by over $84,000,000. However, this did not indicate any tendency to curtail current loans, there being an increase in this item of over $100,000,000 in Canada and nearly $48,000,000 abroad. Altogether total assets were larger than a year before by $328,759,116.

# SHERWIN-WILLIAMS HAD RECORD YEAR

## The Annual Report Will Show Continued Expansion of Profits

**By Resident Representative.**

MONTREAL.—At the annual meeting of the Sherwin-Williams Company of Canada, to be held on Dec. 12, there will be submitted to the shareholders a record of earnings that will far surpass any previous one in the company's history. The company's domestic business has run well in advance of last year's, and the Australian and English connections have been very profitable ones. A few weeks ago, when the president, W. H. Cottingham, was in the city, a rumor spread that there would be immediate action taken on the payment of dividends on the common stock. There was a rush to buy, and a comparatively small volume of trading sent the stock up some 30 points to par. When nothing was done, there was a slump, and this week there was a bid for the stock down as low as 73. It is expected that at the annual meeting, however, some statement will be made in reference to dividends. These have been delayed in the past, owing to the demand for the company's surplus for development purposes, not only in this country, but in Australia; but many feel now that the company is in a position to make some return to the shareholders. Last year the earnings amounted to $1,162,951, and there was a balance available for common dividends of $680,841; or, after allowing for two years' war taxes, the balance was $586,584. This represented over 14 per cent. on the $4,000,000 of common stock.

## ATLANTIC DIVIDENDS

### Clean-Up of Preferred Arrears is Being Explained

MONTREAL.—THE FINANCIAL POST understands that the directors of Atlantic Sugar Refineries are planning to initiate the paying off of the arrears of preferred dividends by a declaration at the week-end of 1¾ or 2 per cent. in addition to the current dividend of 1¾ per cent. At present the preferred stock is in arrears some 32 per cent., and there was an expectation that the company, with its excellent financial position and big business, would wipe out the arrears at one cash payment. This hope will be disappointed and probably the anticipation of conservative action was responsible in large measure for the marked decline, developing almost into a slump that marked the stock this week, a drop of 7 points being recorded on heavy liquidation. A recovery is shortly expected.

## ANALYSIS OF BANK STATEMENT FOR OCTOBER

**ASSETS**

**Immediately Available Liquid Resources.**

| | Oct., 1919 | Sept., 1919 | | Change in month | Oct., 1918 | | Change in year |
|---|---|---|---|---|---|---|---|
| 1—Specie ....... | $ 81,053,489 | $ 81,560,043 | — | $ 506,554 | $ 79,470,854 | + | $ 1,582,635 |
| 2—Dom. notes .. | 165,457,289 | 166,098,147 | — | 640,858 | 167,225,818 | — | 1,768,529 |
| 4—Gold reserve.. | 126,100,000 | 115,100,000 | + | 11,000,000 | 123,900,000 | + | 2,200,000 |
| 9—U.K. banks .. | 12,452,503 | 11,588,642 | + | 863,861 | 9,451,665 | + | 2,910,838 |
| 10—For. banks ... | 46,420,058 | 48,056,076 | — | 1,636,018 | 44,380,481 | + | 2,039,577 |
| 11—Govt. secs. ... | 361,280,056 | 323,781,953 | + | 37,499,003 | 277,053,142 | + | 84,227,814 |
| 15—Call loans abd. | 158,194,085 | 169,532,489 | — | 11,338,404 | 157,040,858 | + | 1,153,227 |
| | $ 950,958,380 | $ 915,717,350 | + | $ 35,241,030 | $ 858,612,818 | + | $ 92,345,562 |
| **Loans and Securities Other Than Those of Canadian Government.** | | | | | | | |
| 12—Pub. secs. ... | $ 255,584,576 | $ 255,098,813 | + | $ 585,763 | $ 250,254,056 | + | $ 5,430,520 |
| 13—Rly. secs. .... | 54,442,926 | 53,658,486 | + | 784,440 | 54,047,042 | + | 395,884 |
| 14—Can. call lns. | 100,549,390 | 96,912,709 | + | 3,636,681 | 73,685,136 | + | 26,864,254 |
| 16—Current lns. . | 1,104,940,160 | 1,058,572,202 | + | 46,367,958 | 1,003,593,603 | + | 101,346,557 |
| 17—Loans, abd. . | 160,713,386 | 151,814,511 | + | 8,898,875 | 112,869,399 | + | 47,843,987 |
| 19—Prov. loans .. | 11,226,420 | 6,667,116 | + | 4,559,304 | 5,278,593 | + | 5,947,827 |
| 20—Municipal ... | 56,116,897 | 57,033,309 | — | 916,412 | 46,275,106 | + | 9,841,791 |
| | $1,743,673,755 | $1,679,757,146 | + | $ 63,916,609 | $1,546,002,935 | + | $197,670,820 |
| **Other Assets.** | | | | | | | |
| 21—Over. debts...$ | 5,725,074 | $ 4,570,685 | + | $ 1,154,389 | $ 6,082,248 | — | $ 357,174 |
| 22—Real estate .. | 5,463,675 | 5,558,881 | — | 95,206 | 5,745,365 | — | 281,690 |
| 23—Mortgages ... | 2,404,772 | 2,394,551 | + | 10,221 | 2,010,639 | + | 394,133 |
| 24—Premises .... | 55,602,824 | 55,464,363 | + | 138,461 | 53,009,741 | + | 2,593,083 |
| 25—Lets. of cred.. | 42,787,234 | 34,752,308 | + | 8,034,926 | 29,318,113 | + | 13,469,121 |
| 26—Other assets.. | 2,876,612 | 2,888,012 | — | 11,400 | 2,359,199 | + | 517,413 |
| | $ 114,860,191 | $ 105,628,800 | + | $ 9,231,390 | $ 98,525,305 | + | $ 16,334,886 |
| Total ....... | $2,809,492,326 | $2,701,103,296 | + | $108,389,030 | $2,503,141,058 | + | $306,351,268 |
| 3—Note cir. dep. | 5,944,972 | 5,941,985 | + | 2,987 | 5,853,438 | + | 91,534 |
| 5-8—Int. bk. bal. | 152,161,550 | 144,872,399 | + | 7,289,151 | 129,845,236 | + | 22,316,314 |
| Gross ....... | $2,967,598,848 | $2,851,917,680 | + | $115,681,168 | $2,638,839,732 | + | $328,759,116 |
| **LIABILITIES TO THE PUBLIC.** | | | | | | | |
| **Liability to Government and Circulation.** | | | | | | | |
| 1—Circulation .. | $ 236,477,479 | $ 225,907,997 | + | $ 10,569,482 | $ 227,597,808 | + | $ 8,879,671 |
| 2—Dom. Govt. .. | 121,028,537 | 110,217,948 | + | 10,810,589 | 116,362,321 | + | 4,666,216 |
| 3—Prov. Govt. .. | 20,699,308 | 24,094,698 | — | 3,395,390 | 23,761,147 | — | 3,061,839 |
| **Deposits by Public.** | | | | | | | |
| 4—Dem. dep. ... | 705,280,241 | 650,743,015 | + | 54,537,226 | 644,220,998 | + | 61,059,243 |
| 5—Savings ..... | 1,262,746,984 | 1,227,437,715 | + | 35,309,269 | 1,076,514,627 | + | 186,232,357 |
| Total Can. ... | $1,968,027,225 | $1,878,180,730 | + | $ 89,846,495 | $1,720,735,625 | + | $247,291,600 |
| 6—Foreign ..... | 253,965,203 | 255,274,256 | — | 1,309,053 | 224,201,096 | + | 29,764,107 |
| **Due to Banks Abroad, Etc.** | | | | | | | |
| 9—U. Kingdom .$ | 4,732,347 | $ 6,482,034 | — | $ 1,749,687 | $ 5,639,668 | — | $ 907,321 |
| 10—Foreign ..... | 32,284,134 | 30,951,715 | + | 1,332,419 | 27,122,886 | + | 5,161,248 |
| 11—Bills pay. ... | 5,901,619 | 4,509,603 | + | 1,392,016 | 965,008 | + | 4,936,611 |
| 12—Acceptances . | 42,787,234 | 34,752,308 | + | 8,034,926 | 29,318,113 | + | 13,469,121 |
| 13—Other liab. .. | 3,028,271 | 3,548,591 | — | 520,320 | 5,322,756 | — | 2,294,485 |
| Pub. liab. ... | $2,688,931,357 | $2,573,919,879 | + | $115,011,478 | $2,381,026,428 | + | $307,904,929 |
| 8—Due bet. bks.. | 8,516,415 | 8,648,270 | — | 131,855 | 12,093,170 | — | 3,576,755 |
| Gross ....... | $2,697,447,772 | $2,582,558,149 | + | $114,889,623 | $2,398,119,598 | + | $304,328,174 |

# NEW FINANCING FOR HOWARD SMITH

## Increase in Common to "Even" Up—New Preferred Issue Coming

**By Resident Representative.**

MONTREAL.—A preliminary to the issue of preferred stock of Howard Smith Paper Mills was taken this week when a small issue was offered to the shareholders of common stock, 875 shares representing $87,500. The price to the common shareholders is par, on the basis of one share of the new to 13 2-7 of the old. Taking the price of the common around 142, this would mean that the rights on this stock would amount to about $3 a share.

The reason for this issue was not connected in any way with the payment for the Toronto Paper Mfg. Co., but officially it was declared that it was made to round out the common stock outstanding to a total of $1,250,000. At the time of the annual meeting the amount was $1,062,500, but later an issue was made by the board of 1,000 shares, bringing the total amount to $1,162,500. There has been some talk of the doubling of the common stock at the time the new preferred stock issue is made, and if this is the intention it is easy to see the reason for the more "even" amount of common now set at $1,250,000, for the doubling of this would make the total amount $2,500,000. Last week permission was granted the company to increase the capitalization to $4,725,000, which of course would include the common and the preferred.

Reports from the two mills of the company, Beauharnois and Crabtree, have been very favorable, and with both running to capacity the earnings of the company for the year 1919 should run not only double but several times the total of the year 1918, for one of the mills, Crabtree, last year was idle owing to the change-over, for more than half the year, with the incidental heavy overhead still maintained. There has been little movement in the common, the bid on Thursday being 140 with 145 asked. The preferred hangs around 99½ bid, with none offering. A definite announcement in regard to the new preferred issue, and the resumption of dividends on the common is expected in the course of a couple of weeks.

The company has made one other step in developing its position by securing some 300 square miles of limits in Quebec Province which will provide the greater part of the pulpwood that is required for the Beauharnois and Crabtree mills. The Toronto Paper Company's sulphite mill at Cornwall will be increased from 20 to 30 tons a day.

# FLAVELLE SELLS INTEREST IN DAVIES

## Company's Securities Will in Future be Listed on Stock Market

The investing public will be greatly interested in this week's announcement that Sir Joseph Flavelle has sold his controlling interest in the William Davies Company to E. C. Fox, general manager, and a group of associates. Sir Joseph controlled 52 per cent. of the stock.

In connection with the transaction, Mr. Fox has announced that the company's shares will be put on the public market. This is a new departure so far as packing companies are concerned and should result in the public having a better knowledge and better understanding of their activities. The announcement of Mr. Fox in connection with the matter reads:

> "There is no foundation whatever to the rumor that the William Davies Company has been sold in whole or in part to large American interests.
>
> "The rumor undoubtedly had its rise in the fact that negotiations have been taking place between myself and a group of associates on the one hand and Sir Joseph Flavelle on the other hand, for the purchase of Sir Joseph Flavelle's complete interest in this company, which is a controlling interest.
>
> "These negotiations have now been closed, and a necessitous part of the transaction is a reorganization. We have taken advantage of the reorganization to enlarge our American business by the acquisition of a packing house, and also to provide extra working capital.
>
> "It will be our policy to list the share capital of the Davies Company on the Stock Exchange, and, therefore, an annual statement of the affairs of this company will hereafter be made."

Sir Joseph will devote himself to the winding up of the Imperial Munitions Board and to his other business interests.

## PORTO RICO

The October earnings statement of the Porto Rico Railways Company shows gross amounting to $95,171, an increase of $9,124, or 10.60 per cent. over the figures for the same month in 1918. Net earnings show an increase of $7,714 or 21.42 per cent., the total for the month being $43,261. For the ten months ending with October the gross totalled $935,476, an increase of $70,263 or 8.12 per cent., while net at $365,813 showed a gain of $3,280 or .90 per cent.

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222 St. James Street MONTREAL, Que.
Mercantile Trust Bldg. HAMILTON, Ont.

# MERCHANTS BANK CONTINUES TO GAIN

## Statement for Half-Year Gives Total Assets of $198,506,572 A New Record

## Deposits Gain $30,117,802

The Balance Sheet of the Merchants Bank of Canada as at the end of the half-year period, 31st October last, received from the Bank's headquarters here on Saturday, shows continued gains and growth on the part of this well-known financial institution.

The Total Assets have now reached the commanding figure of $198,506,572, an increase of $32,582,136 over the corresponding date last year. The readily available portion of the Assets amounts to $84,014,965, an increase of $11,566,688, by which is shown that the liquid position of the Bank has been well maintained.

That the Bank has continued to do its full share, both to the Government and the Commercial Community is shown by an increase of $4,682,244 in securities held of the Dominion and Provincial Governments, while Current Loans and Discounts in Canada have increased by $19,435,478 during the 12 months' period.

Note Circulation at $15,827,373 is $647,130 higher than a year ago with the issue in excess of Paid-up Capital more than covered by a Deposit of $8,000,000 in the Central Gold Reserve.

The Deposits amount to $166,006,015, against $135,888,213 on October 31st, 1918, being an increase for the period of $30,117,802, of which gain $19,368,746 was in Savings or Time Deposits and $10,749,056 in Deposits payable on Demand—a basis of progress which cannot but be considered satisfactory.

The statement altogether makes very good reading for those who realize the important part that our Chartered Banks play in the well-being of the whole country, industrial as well as agricultural, and the figures are especially interesting, as the period covered, with the exception of 11 days, has been after the date of the Armistice and clearly demonstrates that our large and well-managed financial institutions are continuing their progress and growth on a solid basis with the war a thing of the past.

The main features of the figures of October 31st, 1919, and October 31st, 1918, compare as follows:

## BALANCE SHEET

### As At 31st October

## THE MERCHANTS BANK OF CANADA

### STATEMENT TO THE DOMINION GOVERNMENT (CONDENSED) 31st OCTOBER

| LIABILITIES | 1919 | 1918 |
|---|---|---|
| Capital Paid Up ........................ | $ 8,341,535.30 | $ 7,000,000.00 |
| Reserve Fund ........................ | 7,000,000.00 | 7,000,000.00 |
| Undivided Profits ........................ | 574,043.32 | 437,973.92 |
| Notes in Circulation ........................ | 15,827,373.00 | 15,180,243.00 |
| Deposits ........................ | 164,302,874.18 | 133,955,910.26 |
| Due to other Banks ........................ | 1,703,141.06 | 1,932,303.36 |
| Acceptance under Letters of Credit ..... | 757,606.04 | 418,006.30 |
| | $198,506,572.90 | $165,924,436.84 |
| **ASSETS** | | |
| Cash on hand and in Banks ............ | $ 25,642,136.33 | $ 20,641,022.76 |
| Deposits in the Central Gold Reserve.... | 8,000,000.00 | 8,500,000.00 |
| Government and Municipal Securities .. | 36,240,352.41 | 31,558,108.80 |
| Railway and other Bonds, Debentures and Stock ........................ | 3,870,611.91 | 3,933,373.19 |
| Call Loans in Canada ........................ | 6,843,017.57 | 4,916,574.22 |
| Call Loans elsewhere than in Canada... | 3,418,846.99 | 2,899,198.62 |
| | $ 84,014,965.21 | $ 72,448,277.59 |
| Loans and Discounts ........................ | 106,254,280.80 | 86,818,802.28 |
| Liabilities of Customers under Letters of Credit per contra ........................ | 757,606.04 | 418,006.30 |
| Bank Premises ........................ | 5,663,251.73 | 5,218,862.63 |
| Real Estate other than Bank Premises.. | 911,291.19 | 333,872.24 |
| Mortgages on Real Estate sold by the Bank | 528,177.93 | 320,615.80 |
| Deposit with Dominion Government for purposes of Circulation Fund ........ | 377,000.00 | 366,000.00 |
| | $198,506,572.90 | $165,924,436.84 |

## DOMINION FOUNDRIES

Dominion Foundries & Steel directors have declared the regular quarterly dividend of 1 per cent. This disposes of the rumor that the company would increase its dividend for the current quarter. There has been a well circulated belief that the dividend would come up to a 6 per cent. per annum basis, or perhaps up to its former rate of 8 per cent.

## PRESSED METALS

Shareholders of the Pressed Metals Co. of Canada, Limited, have been advised by Mr. C. E. Calvert, the president, that, in order to provide the balance of the capital required in connection with the American plant now under construction, the directors, at a recent meeting, passed a resolution to offer to the holders of the common shares of the company 4,131 common shares of the unissued capital stock of the Pressed Metals Co. of Canada, Limited, at $125 per share, being in the proportion of one share for every four shares now held. The terms of subscription are as follows: $62.50 per share, with application, on or before December 20, 1919, and $62.50 per share on or before January 15, 1920.

## WOODS MANUFACTURING

The announcement of a bonus of 5% on the common stock of Woods Manufacturing Co., payable Dec. 1, to shareholders of record Nov. 28, was in line with expectations, after it was known that the earnings of the company had shown a very satisfactory increase, even over last year's new high. It was believed in some quarters that the end of the year would see the regular rate changed from 7 to 10%, but the other in itself means more, although it has not the same appearance of permanency. Those familiar with the company's present condition and prospects, with the world scarcity of goods, will not worry over the company's ability to take either course for years to come.

# CANADA'S SURPLUS NEWSPRINT NOW TAKEN FOR 1920

## Scarcity in United States Means Heavy Demand for Canadian

## 1,000,000 TONS

## Expected Annual Production by 1921—Prices for Year Expected Soon—Value of $60,000,000

By Resident Representative.

MONTREAL.—Early in December the Canadian newsprint mills will fix the price for export for the year 1920, and present indications are that this will run between $85 and $90 a ton, as compared with a range of $70 to $75 a ton during 1919, or an advance of about $15 a ton. Taking the estimated production for next year in Canada at 825,000 tons, and allowing 85 per cent. for export, the increased price would mean an addition of over $10,000,000 to the Canadian mills' earnings, or a total value of exports exceeding $60,000,000 in newsprint alone.

THE FINANCIAL POST learns that practically the whole available export surplus of Canadian mills has been contracted for, even without a definite price being fixed. The great customer, as always so far, will be the United States. Figures show that the consumption there has increased 35 per cent. during the year, due mainly to a heavy gain in advertising that forced much larger issues on the bigger cities' dailies, and, indeed applied pretty generally all over the country. At present there is an acute shortage in the United States, due, partly, to the fact that the production there has remained almost stationary, and also to the increased export of newsprint from that country. The figures of U. S. export covering the past six or seven years are as follows:

| | |
|---|---|
| 1913 | *43,276 |
| 1914 | 61,239 |
| 1915 | 55,056 |
| 1916 | 76,443 |
| 1917 | 97,544 |
| 1918 | 96,646 |
| 1919 (9 mos.) | 93,665 |

*Figures through courtesy of Canadian Export Paper Co.

### U. S. Production Lower

The failure of the mills there to keep pace with the demand was, as in Canada to some extent, due to Government price restrictions, which kept capital out of the business. The figures of production in the States have even dropped, as compared with 1917. For the first 9 months in the two years, these were:

| (9 mos.) | Tons |
|---|---|
| 1917 | 934,097 |
| 1919 | 910,752 |
| Decrease | 23,345 |

Taking the figures of production, adding imports and deducting exports, it is seen that the amount available for production for the first nine months of 1919 was 1,271,227 tons, as compared with 1,282,436 tons in 1917, a decline of 11,219 tons, whereas in this period Canada's exports to the States increased from 406,773 to 454,140 tons.

The United States during 1920 will require all the newsprint that Canada can supply. The present capacity of Canadian mills is about 2,775 tons daily, and this will be increased well beyond 3,100 tons by the beginning of 1921, or close to 1,000,000 tons a year. By 1930 it is predicted that Canada's production will be 2,000,000 tons, or equal to the total production in the United States to-day.

An announcement is expected shortly that a price of about $75 a ton has been fixed for a supply of newsprint required by Canadian publishers.

**WANTED**

By an old and well established Ontario Trust Company, the services of an energetic young man with a working knowledge of legal practice.

A large portion of his time will be spent in extending business by means of personal calls upon prospective clients.

An attractive personality is desired but salesmanship experience is not essential.

Prospects of future advancement are bright. State your past experience and present situation.

Apply Trust Company, Box 9, The Financial Post, Toronto.

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General Exporters and Importers
*Specializing in*
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**A Sound Industrial Investment**

The shares of the K. & S. Tire & Rubber Goods, Ltd., constitute what we consider an excellent form of investment.

Working to capacity, producing high-grade automobile tires, tubes and moulded rubber sundries, they are unable to meet the demands of business offered.

Gross sales have increased over $530,000 in five years, with orders and plans for a 100% increase in 1919.

The preferred shares of the above company can be purchased at par ($100), with a bonus of one share of common (par value $25).

We would appreciate an opportunity of explaining this investment more fully to you.

Correspondence invited.

**Reiner, Walsh & Co.**
Investment Securities
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# MAY BE TWO BITES OF STEAMER'S DIVIDEND

## Surprise at Announcement of Regular Rate—Board Considering Extra Payment

By Resident Representative.

MONTREAL.—The announcement of the regular dividend on Canada Steamships Lines common stock at 1 per cent. for the quarter, caused surprise and almost consternation among the holders of the security, because it had been said that there was no doubt an increase in the dividend would have been declared. The stock at once reacted over 3 points and fell below 70, but there was a latent strength and it was not long until it reached 72 again. The expectation of the increased dividend was due not only to local information, but also to cable reports of a definite statement made by one of the London directors of the company, who declared that there would be not only an increased dividend, but a bonus. This bonus, as was mentioned in THE FINANCIAL POST, was generally accepted as two per cent., which would make the payment per year on a basis of 8 per cent., although this would apply, of course, only to the final quarter.

The information that had been given was that it was found necessary for technical reasons in connection with the stock exchange to make the announcement of the regular dividend, in the absence of the president and before the postponed meeting of the Board of Directors, which was to have taken place on Tuesday of last week. As the announcement could not be delayed, they decided to make it cover the regular dividend of 1 per cent., and a meeting of the Board of Directors has been called for next Tuesday, when it is understood the question of an increased payment will be considered. The Street wonders how, if a dividend is once declared, it can be increased for that same quarter, and thus many believe that there will be no increase of the 4 per cent. in this quarter, but instead a bonus will be declared covering the quarter and a permanent increase awaits the annual meeting. The stock continues strong and rose to 73 on Thursday.

### OTTAWA GAS COMPANY

The Ottawa Gas Company has taken advantage of the opportunity afforded by the increase in rates demanded by municipally-owned gas plants to effect a similar increase in its own rates. The net rate of $1.12½ per 1,000 cubic ft. of gas used has been increased by 9 cents to $1.21½ per 1,000 cubic ft. It is not anticipated that the increased rate will reduce the amount of gas consumed. It should, therefore, increase the gross revenue by about 8 per cent. Although this increase in revenue will be largely offset by increased cost of coal and other materials, it will assure investors in the company's securities that the net earnings of previous years will be maintained.

### NORTHERN OHIO

For the twelve months ending with October gross earnings of the Northern Ohio Traction and Light Company totalled $8,756,506, an increase over the previous twelve months of $1,704,766. Operating expenses at $5,869,282, left gross income amounting to $2,887,224, which shows an increase of $486,020. Net income for the twelve months amounted to $1,496,463, an increase of $242,801.

# SPANISH RIVER READY FOR 600 TONS EVERY DAY

## One New Paper Machine Completed; Another 50-Ton in Few Weeks

## GAIN OF $2,000,000

## In Profits Next Year With Higher Rates — Exchange Worth $700,000 a Year at Present—Pay Arrears

By Resident Representative.

MONTREAL.—The advance in the prices of Spanish River Pulp & Paper Co. securities this week fitted in with the completion of a new paper machine at the company's plant at Espanola. This made the fifth machine at that mill, and the rapidity with which the mill was constructed to house this machine, and a sixth, which will be finished in a few weeks, constitutes a record for similar construction in Canada. The new mill will increase the production of the company by 50 tons a day, and the second one will add another 50, so that for the end of the year the daily output of Spanish River will reach a total of 600 tons a day, almost double that of any other newsprint mill in Canada. This output of 600 tons a day represents close to 200,000 tons a year. If, as is expected, a price of $90 is established for Canadian newsprint exported to the United States, the company will benefit by at least $10 a ton, as compared with present prices after due allowance for increased cost, which will mean a total of over $2,000,000 a year as a result of the increased rate.

There is another factor in favor of the company that is acting as a bull argument at the present time, that is, that with exchange running close to 5 per cent. and payments made in New York to the Canadian newsprint exporters, there is an advantage of at least 4½ per cent. to the mills here. Under the new prices Spanish export should run well on to $15,000,000 a year, so that the advantage to the company if the rate of exchange continues as it is, would be around $700,000 a year, a clear addition to profit owing to circumstances not connected at all with the operation of the mills. There is little wonder, under these conditions, for the strong tone displayed in Spanish and other newsprint mills by the holders of their various securities. The exchange profit alone would represent about 9 per cent. on the common.

The completion of the present extension to Spanish River production marks a development that was planned in the year 1916. At that time the demand for newsprint paper was such that the Board decided that the company should have a greater output and the Espanola mill seemed a logical one for the extension, as it had a surplus of ground wood pulp. At once an order was placed for two new paper machines, but the entry of the United States into the war in the spring of 1917 changed the plan, and it was decided that the building of the mill to cover the new paper machines and other extensions would have to be postponed indefinitely. No decision was finally reached until the middle of May this year, when, after a visit of the president, Geo. H. Mead, it was decided to go on with the development.

Considerable attention is being directed towards the preferred stock, which shares equally in distributions of dividends with the common after 7 per cent. is reached. By Thursday of this week the stock reached 123, a new high point, and 60 points above the ruling price at the beginning of 1919. There are now owing on Spanish preferred five years of dividends up to July, 1919, and by the end of the year the amount will be 38½ per cent. THE FINANCIAL POST understands that in a few days a definite announcement will come from the president in regard to the arrears on the preferred, which, it is understood, will be met by a new issue of preferred. As soon as this is done, the current dividends on preferred will start, probably some time during the first quarter of 1920.

### TWIN CITY

For the month of October gross earnings of the Twin City Rapid Transit Co. totalled $990,865 as compared with $751,696 for the same month in 1918. The increase is $239,169. Operating expenses amounting to $731,559 were higher by $181,304, while net revenue at $259,305 showed an increase of $57,865. For the ten months ending with October the gross amounted to $9,231,465, an increase of $1,180,254, and net for the ten months at $2,607,504 was higher by $331, 117.

### CONSOLIDATED SMELTERS

Ore receipts at Trail smelter for the week ending November 14 amounted to 5,593 tons, while from Oct. 1, 1918, to Nov. 14, 1919, the receipts totalled 353,305 tons.

### OWNERS ORGANIZE

#### Holders of Toronto Property Asked to Join Guild

Toronto property owners have been asked to join a Property Owners' Guild, which aims to protect their interests in municipal matters. The league, which starts with ninety members, has as its program:

"To protect the interests of Toronto property owners; to secure honest, efficient and economic government and a just and equitable assessment on property; to apply for an amendment to the assessment act to prevent the assessment of old buildings at a higher figure than original cost; to make civic properties pay a fair return on money invested, to procure sale of the city abattoir, now run at a large annual loss, and to secure a reduced tax rate and oppose all further increase of the city debt."

# ASBESTOS CORPOR'N NECK-AND-NECK RACE

## Preferred Advancing With Common as it Shares Equally —Look for Higher Rate

By Resident Representative.

MONTREAL,—Heavy buying this week of the two Asbestos Corporation issues, the preferred and common, started anew the rumors of a bonus or increased dividend, and the preferred passed par and the common went up again to 90. As has been pointed out, the earnings of the company are running very high. One year ago they showed an increase of 100 per cent. over 1917, rising to $1,177,179, and there seems every indication that this year will see a duplication of the large profits of last year. The company is loaded with orders at high prices, and its cash position, with some $2,000,000 invested in Victory bonds and comparatively no current liabilities, is very strong.

Unlike most companies, where bright prospects for dividend increases affect the common stock only, Asbestos preferred is in the enviable position of ranking equally with the common in dividend advances from now on. It is provided that, as soon as the common reaches 5 per cent., the preferred shall share equally; that is, as the preferred is paying 6 per cent., hereafter it must receive an increase if the common does.

We own and offer
Subject to prior sale

**$500,000**

**7% CUMULATIVE PARTICIPATING PREFERRED SHARES OF**

**K. & S. Tire & Rubber Goods, Limited**

*(Incorporated under the Laws of the Province of Ontario)*

**Dividends Payable Quarterly: 1st of January, April, July and October**

**The Company's charter provides that, commencing with the year 1922, 10% of the net earnings shall be set aside as a Sinking Fund for the purpose of redeeming the Preferred Shares.**

**CAPITALIZATION**

| | Authorized | To be issued |
|---|---|---|
| 7% Cumulative Participating Preferred Shares (Par Value $100) | $1,500,000 | $1,000,000 |
| Common Stock (Par Value $25) | 2,000,000 | 2,000,000 |

**DIRECTORS**

W. J. SHEPPARD,
Waubaushene, Ont.
President Georgian Bay Lumber Co., Ltd.,
Director Royal Bank of Canada.
Director Toronto Paper Co., Ltd.

H. J. DALY,
Toronto.
Director Home Bank of Canada.
President H. J. Daly & Co., Ltd., Ottawa.
Vice-President Murray-Kay, Ltd.

J. P. BICKELL,
Toronto.
President McIntyre Porcupine Mines, Ltd.
President Regent Theatres, Ltd.

J. B. TUDHOPE, M.P.,
Orillia, Ont.
President Carriage Factories, Ltd.

D. L. WHITE,
Midland, Ont.
Playfair & White, Midland, Ont.
Director Great Lakes Transportation Co., Ltd.
President Canadian Dredging Co., Ltd.

T. H. SHEPPARD,
Toronto, Ont.

J. O'MARA,
Toronto.

**BANKERS:**
ROYAL BANK OF CANADA
MERCHANTS BANK OF CANADA

**REGISTRAR AND TRANSFER AGENT:**
MONTREAL TRUST COMPANY, TORONTO

**SOLICITORS:**
McMASTER, MONTGOMERY, FLEURY & COMPANY

**Purpose of Issue**

The K. & S. Tire & Rubber Goods, Ltd., has been incorporated under Ontario Charter to take over the K. & S. Canadian Tire & Rubber Co., Ltd., with factories at Weston, Ont., a suburb of the city of Toronto, and has acquired the whole business assets, goodwill and entire undertaking of the last-named company, which is taking payment entirely in shares of the new company, and the proceeds of the shares now being offered for sale will be used to build large additional factories, including a new tire plant, dipping plant, etc., which when completed will be one of the most modern plants for the manufacture of rubber tires and sundry rubber goods in Canada, with a capacity of 750 tires and 1,000 tubes per day, and to provide additional working capital incident to this increased capacity.

**Preferred Shares**

The Cumulative Participating Preferred Shares are preferred both as to assets and dividends, and at the option of the Company are redeemable at $120 per share and accumulated dividends. The Company's charter provides that, commencing with the year 1922, 10 per cent. of the net earnings shall be set aside annually for the redemption and cancellation of the Preferred Shares, thus reducing the amount outstanding. When the dividends paid on Common Shares shall exceed 7 per cent. per annum the Preferred Shares shall be entitled to share ratably with the Common Shares in any further distribution of the profits of the Company. No bond issue can be made by the Company except with the consent of 66 2-3 per cent. of the Preferred Shares outstanding.

**Business**

The K. & S. Canadian Tire Co., Ltd., commenced business by introducing Kelly-Springfield automobile and truck tires into Canada, and made the name of this tire famous from the Atlantic to the Pacific. K. & S. tires now manufactured in Canada are guaranteed for more miles than any other made here, and are said to be one of the best tires on the market to-day, the guaranteed mileage being equal to that of the well-known Kelly-Springfield tire manufactured in the United States. The K. & S. Tire & Rubber Goods, Ltd., also manufacture a complete line of rubber sundries (such as hot-water bottles, tubing, rubber heels, etc.), and is the only Canadian company manufacturing hard rubber fittings and a full line of druggists' and molded sundries.

**Gross Sales**

The gross sales of the Company have shown a marked increase each year. For the past four years the gross sales were as follows:—

| | |
|---|---|
| 1915 | $160,000 |
| 1918 | $593,000 |

And for 1919 are estimated at $1,000,000

For the first six months of 1919 the gross sales were $586,000, and, it is estimated, will be over $1,000,000 for the year. With the additional plant in operation it is estimated that the gross sales shall be in the neighborhood of $1,600,000 for the year 1920, and over $3,000,000 in 1921. The business offering for this Company's products has been so great that they have not been able to fill the demand.

**Earnings**

The net earnings of the K. & S. Canadian Tire & Rubber Co., Ltd., for the year ending December 31st, 1918, were $85,245.91. For the first six months of 1919 $75,080.57, and it is estimated for the year 1919 should exceed $135,000. With the new additional plant in operation it is estimated that the net earnings of the new Company for the year 1920 should be $225,000, and for the year 1921 over $400,000.

**Sales Organization**

The Company markets its products through its own branches in Toronto, Montreal, Hamilton and Winnipeg, and through prominent distributors in the principal cities in Canada. The Company has recently appointed agents to handle its products in Great Britain, Belgium, Denmark and Holland, and a Company has recently been incorporated, known as the K. & S. Rubber Products Co., Inc., to market their products in the United States.

**The number of automobiles in Canada has increased from 50,489 in 1913 to over 300,000 in 1919. Each automobile requires not only the four tires, and one or two spares with which it is equipped when sold, but also additional tire equipment throughout its years of service. As the K. & S. Tire & Rubber Goods, Ltd., manufacture high-grade, nationally advertised lines of tires and tubes, marketed through its own well-established and prominent distributors in all principal cities in Canada, capacity output is expected for many years.**

**Price: 100**

**With each 7% Preferred Share the purchaser will receive a bonus of one share of Common Stock.**

**FURTHER INFORMATION AND COPY OF PROSPECTUS MAILED UPON REQUEST BY**

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**Reiner, Walsh & Co.**
Investment Securities
118 Victoria St. : Toronto

**Campbell, Thompson & Co.**
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*The statements in this advertisement are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.*

**A WILL IS THE MOST IMPORTANT DOCUMENT IN A PERSON'S LIFE,**

**for on the making, and proper making, of a will may depend, and often does, the comfort, maintenance and peace of mind of a person's near and dear—his wife, children, mother.**

If YOU have not yet attended to this all-improtant document, you should lose no time in consulting the trust officers of a modern trust company, for it is the ideal executor and trustee—efficient and responsible.

Our trust officers will be glad to have you call or write regarding your will and your executor. Without obligating you in any way you may have the benefit of their wide experience.

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TRUSTS AND GUARANTEE
COMPANY LIMITED
BRANTFORD TORONTO CALGARY
JAMES J. WARREN
PRESIDENT
E. B. STOCKDALE
GENERAL MANAGER

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**AMERICAN BANK NOTE COMPAN**
(Incorporated by Act of the Parliament of Canada)
BANK NOTES, BONDS, STOCK CERTIFICATES, CHEQUES AND OTHER MONETARY DOCUMENTS
SPECIAL FACILITIES FOR THE PREPARATION OF MUNICIPAL DEBENTURES
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Limited

*Manufacturers of*
*COTTON FABRICS*

MONTREAL TORONTO WINNIPEG

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ACCOUNTING AND AUDITING FOR MUNICIPAL CORPORATIONS
LUMSDEN BUILDING
TORONTO

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**The Financial News**
DAILY. ONE PENNY.
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TORONTO

# CANADIAN CAR HAS WORKED INTO STRONG POSITION

## Earnings on Preferred Over 25%, Although Profits Were Reduced

## NO BANK DEBTS

## Amount of $2,275,000 Wiped Out—Working Capital Over $10,000,000 — Outlook for New Year Promising

By Resident Representative.

MONTREAL.—The tenth annual financial statement of the Canadian Car & Foundry Company, covering the fiscal year ending September 30th, 1919, reflects the change over from war to peace conditions. Under the circumstances, the profits of the company showed a considerable decline, from $4,617,390 in 1918 to $2,993,471. The latter figures, however, are more than $400,000 ahead of those for the fiscal year of 1917, when they were $2,572,884. The more favorable features of the report were along the lines forecast in THE FINANCIAL POST some weeks ago. What is satisfactory to note, for instance, is that bank loans, which amounted, one year ago, to $2,275,000, are wiped out entirely and that the net working capital of the company has increased from $9,019,963 to $10,363,976, an advance of over $1,300,000 during the year. Generally speaking the liquid position of the company is much more favorable. The inventories show a decrease of close to $5,000,000, and the accounts payable have declined from $6,000,000 to $1,600,000.

The assets of the company are in more tangible form this year, owing to the fact that the company has not the large amounts of raw materials that were required last year to look after their munitions business, as well as the current orders for cars. The cash on hand has increased from $489,000 to $814,000, and securities have risen from $165,479 to $1,903,398. As might be expected the total of current assets shows a decline from $18,148,601 to $12,438,623, but in the same period the current liabilities shrunk from $9,128,638 to $2,074,648.

The Profit and Loss Account covering the past three years shows the item of preferred dividends, added within the past eighteen months. During last year, the total paid out was $262,500, and for 1918-19 $656,250. The latter sum included the regular dividend of $525,000, and the payment off arrears of $131,250. The amount available for preferred dividends was $1,887,635, or 25.17 per cent., or more than enough to wipe out the existing arrears. The final result, as seen in the surplus to be carried forward to the new fiscal year, is very satisfactory as a matter of comparison, for this rose from $2,840,063, two years ago, to $5,830,172 last year and stands now at $7,061,557.

**Profit and Loss Account**

| | 1919 | 1918 | 1917 |
|---|---|---|---|
| Profits | $2,993,471 | $4,617,390 | $2,572,884 |
| Interest | 537,117 | 653,218 | 692,265 |
| Balance | $2,456,354 | $3,964,172 | $1,880,619 |
| Deprec., etc. | 568,719 | 711,563 | 467,610 |
| Net increase | $1,887,635 | $3,252,609 | $1,413,000 |
| Pref. divs. | 656,250 | 262,500 | ...... |
| Net earn. | $1,231,385 | $2,990,109 | $1,413,000 |
| Prev. bal. | 5,830,172 | 2,840,063 | 1,427,05 |
| Surplus | $7,061,557 | $5,830,172 | $2,840,063 |

### Sales of $33,000,000

The president, W. W. Butler, in his report to the shareholders, announces that the aggregate sales for the year were about $33,000,000; profits work out at about 9 per cent. In regard to the future, he states that the company has enough orders on its books to keep the plant in operation into 1920. Consideration is being given to the policy of diversifying the output of the several constituent plants of the company.

The president's reference to the policy of the company, in connection with the payment of the arrears on the preferred, is that these must be dictated entirely by conditions confronting the directors from time to time. The Board considers it most necessary, especially in times like the present, to pursue a conservative policy."

### Winding-up of Russian Contract

Reference has been made to the improved position in working capital that the company occupies, according to the report. One of the items in the Balance Sheet last year was $1,013,595, in connection with the New York Agency, which handled the Russian contract for munitions.

During the year, it was announced that a verdict for $750,000 had been awarded the Car Company, and that the American Can Company had been unsuccessful in an appeal against this award. The amount in the balance sheet of 1918 has been practically liquidated, and now disappears. With it goes a liability item of $690,043, under the same heading.

The item of "property" shows an increase from $21,376,025 to $22,373,964, or practically $1,000,000. The main part of this increase consisted of improvements to the car shops and steel foundries. The reserves of the company have been increased from $4,011,186 to $5,123,455.

Under Working Capital last year, THE FINANCIAL POST did not include the two items under the heading of the New York Agency. One of these was under assets, and amounted to $1,013,595; the other was among the liabilities, and the amount was $690,043. The reason for this was that a law suit was pending for the greater part of the $1,000,000, and the loss of this would have made the "liquid assets" rapidly disappear in that direction. Since that time, the right of the million-dollar item to figure as a liquid asset has been established, and at the same time the item under current liabilities, which was awaiting the disposition of the suit with the American Can Company, was wiped out by payments being made. Thus, in the comparison given below, each item is set down as a "current" one for last year.

**Working Capital Account**

| | 1919 | 1918 |
|---|---|---|
| Liquid Assets— | | |
| Inventories | $ 7,394,226 | $12,016,772 |
| Acc. and bills rec. | 2,326,184 | 4,463,638 |
| Cash | 814,916 | 489,116 |
| Securities | 1,903,298 | 165,479 |
| New York agency | ........ | 1,013,595 |
| | $12,438,624 | $18,148,601 |
| Current Liabilities— | | |
| Accounts payable | $ 1,661,162 | $ 6,012,072 |
| Accrued interst | 150,986 | 151,523 |
| Dividends payable | 262,500 | ...... |
| Bank loans | ....... | 2,275,000 |
| New York agency | ....... | 690,043 |
| | $ 2,074,648 | $ 9,128,638 |
| Balance working capital | 10,363,976 | 9,019,963 |

Gain over 1918—$1,344,013.

The arrears on the preferred at the close of the fiscal year, Sept. 30, 1919, amounted to 24½ per cent. Thus, the amount available for preferred dividends would have wiped this off. With the further payment set down for next month, the arrears will be reduced to 22¾ per cent. In spite of the reduction in profits, the price of the stock held firm, and, on the whole, the report has been looked on quite favorably in the Street.

# NEW OFFERING OF K & S TIRE STOCK

## Market Demands for Products Responsible for Expansion Now Planned

The business in automobiles and accessories is rapidly attaining bigger and bigger proportions and the tendency is towards large scale output where overhead can be reduced to a minimum and the most efficient results from labor and sales machinery obtained. Investors will, therefore, find interest in the offering of $500,000 seven per cent. cumulative participating preferred shares of K. and S. Tire and Rubber Goods Limited, at par, a bonus of one share of common stock going with each ten-share purchase of the preferred shares.

K. & S. Tire and Rubber Goods, Limited, was incorporated to take over the K. & S. Canadian Tire and Rubber Company which was organized in this country to market the famous Kelly-Springfield tire. Regarding the success of this company and the outlook for the new concern, it is pointed out that gross sales in 1915 amounted to $160,000 and in 1917 to $300,000, in 1918 the total was $593,000, and for the first six months of the present year the sales amounted to $586,000, with an estimate for the year of over $1,000,000, or over six times that of 1913. The estimate for the year 1920 is in the neighborhood of $1 600 000, and it is confidently expected that by the close of 1921 the $3,000,000 mark will have been passed. The offering is being made by four Toronto houses and full particulars will be found elsewhere in this issue. The price is par at 100 with a bonus of one share common—par $25—with each share of preferred.

### DOMINION CANNERS

Dominion Canners common after declining to 57 in the trading of the latter part of last week recovered again in the early trading of this week, and under a strong buying movement advanced again to 62. The confidence in the stock is apparently very firm, the satisfactory showing of the year apparently suggesting to the public the probability of a return to a dividend paying basis.

### LOEW'S AT BUFFALO

Toronto, as well as American capital, is interested in a new Loew's Theatre to be erected in Buffalo at a cost of $3,000,000. Plans were advanced materially at a directors' meeting in Buffalo recently, following the purchase of the last piece of property for the site, which will be in Main street, between Mohawk and Genesee streets. It will be known as Loew's Buffalo Theatres, Inc. Marcus Loew of New York is president, R. R. Bongard of Toronto first vice-president, E. McM. Mills, second vice-president, and the following also directors: W. H. Thorborn, Toronto; Wm. H. Andrews, Henry D. Miles and Henry T. Werner, the three latter being Buffalo business and financial men with important interests.

# PENNY BANK HAS BIGGER DEPOSITS

## An Increase of Over $65,000 is Shown for Year Ending June Last

In these times when there is so much talk of the shrinking value of the dollar, it is interesting to note from the operations of the Penny Bank of Toronto that there is no indication of a decline in respect for small change. The annual report shows that during the past school year the expansion of deposits continued on a very satisfactory basis and this despite the fact that the Victory Loan appeals have had their effect upon funds.

At the end of June, the bank's year, the deposits amounted to $502,504. indicating an increase for the year of $65,728, and comparing with $270,863 five years before. In the previous year the gain was $41,109, so that those who have charge of the affairs of the institution have every reason to be satisified with the results attained.

The policy of investing the bank's surplus funds in Government bonds has been continued. There was a further reduction in Post Office deposits and an increase of nearly $100,000 in Victory. The holdings of bonds amounted to $358,650, and these appeared in the statement of assets at $354,138. The balance sheet is summarized as follows:

| | 1914 | 1918 | 1919 |
|---|---|---|---|
| **Liabilities** | | | |
| Deposits | $270,863 | $436,776 | $502,504 |
| Guar. and surp. | 14,757 | 17,714 | 18,955 |
| | $285,620 | $454,490 | $521,459 |
| **Assets** | | | |
| War bonds | ....... | 254,303 | 354,138 |
| Post Office | $274,698 | $181,580 | $155,714 |
| Mortgages | 10,367 | 8,442 | 8,442 |
| Cash | 555 | 10,164 | 3,164 |
| | $285,620 | $454,490 | $521,459 |

# C.P.R. TAKES $75.000 KING EDWARD ISSUE

An instance of the interest taken by the railroads in anything that has as its aim improvement in hotel accommodation, is afforded by the announcement that the Canadian Pacific Railway has taken a block of $75.000 of the preferred stock of the King Edward Hotel Construction Co., Ltd., which will have charge of the erection of the fifteen-storey addition to the King Edward Hotel in Toronto.

The terms of the offering, which is for $1,350.000. follow the outline given in THE FINANCIAL POST some time ago. The hotel is expected to cost $2,350,000. Already, $1,000,000 has been raised by mortgage, and the remainder is being raised by the present issue of preferred stock which carries with it a 25 per cent. bonus of common.

The property is leased to the King Edward Hotel Co. for an amount sufficient to pay the interest on the mortgage, interest on the preferred stock, sinking fund, and 10 per cent. interest on the common stock, as well as all insurance, taxes and upkeep. The preferred shares, as well, are guaranteed by the United Hotels Co. of America, which controls 16 hotels in the Eastern and Central States and in Canada.

---

**Dominion Glass Company Limited**

DIVIDEND NOTICE.

NOTICE is hereby given that a dividend of one per cent (1%) has been declared on the COMMON STOCK of Dominion Glass Company, Limited, for the quarter ending the 31st day of December, 1919, payable Thursday, the 1st day of January, 1920, to shareholders of record at the close of business Monday, the 15th day of December, 1919.

By Order of the Board.
MERVYN OFFER,
Secretary.
Montreal, 25th November, 1919.

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**Dominion Glass Company**

DIVIDEND NOTICE.

NOTICE is hereby given that a dividend of one and three-quarters per cent (1¾%) has been declared on the PREFERRED STOCK of Dominion Glass Company, Limited, for the quarter ending the 31st day of December, 1919, payable Thursday, the 1st day of January, 1920, to shareholders of record at the close of business Monday, the 15th day of December, 1919.

By Order of the Board.
MERVYN OFFER,
Secretary.
Montreal, 25th November, 1919.

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**TOOKE BROS., LIMITED**

PREFERRED STOCK DIVIDEND NO. 31

NOTICE is hereby given that a Dividend of 1¾% on the Preferred Stock of this Company has been declared for the Quarter ending 30th November, 1919, payable on the 13th of December, to Shareholders of record on the 29th of November.

By order of the Board.
W. S. BARKER,
Secretary-Treasurer.
Montreal, November 20th, 1919.

Bought - Sold
Quoted
CANADIAN CONSOLIDATED FELT
Common and Preferred
AMES HOLDEN TIRE CO.
Common
HOLT, RENFREW CO.
Common
ST. MAURICE PAPER CO., LTD.
Common
UNITED CIGAR STORES (Canada)
Common and Preferred
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Established 1837. Incorporated 1880
CAPITAL—
AUTHORIZED AND ISSUED £7,500,000
Paid-up Capital, £2,500,000
Res. Fd. £2,570,000 Together £5,070,000
Res. Liab. of Proprietors....£5,000,000
Total Capital and Reserve £10,070,000
Head Office: 71 Cornhill, London, E.C. 3
*The Bank Has 181 Branches, viz:*

| | |
|---|---|
| In Victoria | 41 |
| In New South Wales | 39 |
| In Queensland | 19 |
| In South Australia | 14 |
| In Western Australia | 21 |
| In Tasmania | 3 |
| And in NEW ZEALAND | 44 |

Drafts upon these Branches are issued by the Head Office and may be obtained from the Bank's Agents throughout the world. Commercial and Circular Travelling Credits issued — available throughout the world. Cable Transfers are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.

---

**Canada Permanent Mortgage Corporation**

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of TWO and ONE-HALF PER CENT. for the current quarter, being at the rate of

**TEN PER CENT. PER ANNUM**

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

**FRIDAY, THE SECOND DAY OF JANUARY**

next, to Shareholders of record at the close of business on the Fifteenth day of December.

By order of the Board.
GEO. H. SMITH,
Assistant General Manager
Toronto, November 26th, 1919.

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Will present conditions—very like those existing in 1906—lead to a break and a slump in 1920 similar to the panic of 1907?

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Speculative Bulletin of November 15th gives you the plain, unbiased facts on our present situation and compares it with 1906.

It is a bulletin of vital importance. With its facts before you, you can see what's ahead and govern yourself accordingly.

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# GAINS RECORDED IN MANY ISSUES ON MINING BOARD

## Activity Not Great, But Good Issues Have Strengthened

## MARKET STEADY

### Fourteen of the Principal Issues Are Away Ahead of Where They Were Four Months Ago

While there has been little activity in mining stocks in Toronto since last spring, it is noticeable that all the leading issues have gradually been regaining the ground they lost earlier in the year, and, in a number of cases, new high records have been established. The better issues have become very scarce, brokers report, as a large proportion of the sales now being recorded have been to investors rather than to marginal speculators. The upward movement of the mining stocks has been progressing for about two months now, and while there have been a number of reactions, they have, in the case of the better issues, been merely temporary. Some such speculative stocks as Adanac and Wasapika have not been able to stand the strain of market manipulation, and are now much below the levels of two or three months ago.

The outlook for the Cobalt and Porcupine stocks is very good, and there would seem to be no reason for believing that the present satisfactory movement will not continue. Daily sales on the exchange have not been reaching very high figures, and this feature has militated greatly against the prosperity of the mining brokers, many of whom have scarcely been paying office expenses during the past six months. Whether the rising tendency of the mining issues will lead to a speculative activity cannot yet be prophesied. The brokers would probably like to see it, for quick turnover of stocks means more commission charges; but from the standpoint of the investor, a more or less steady market is undoubtedly the best.

### Market's Good Position

The market is in a good strategic position now, and mining stocks seem to be a buy. Labor shortage is sure to be relieved gradually, enabling the big gold mines to increase production, and with silver selling at the prices it brings now, the producing silver mines are in a good position. The course of some of the leading mining issues for the past four months has been as follows: Of twenty-one stocks mentioned, fourteen have made substantial gains.

| | Aug. 1 | High | Low | Nov. 27 |
|---|---|---|---|---|
| Adanac ..... | 12 | 13½ | 6⅜ | 6⅜ |
| Atlas ...... | 20 | 40 | 20 | 38 |
| Beaver ...... | 36½ | 48½ | 35½ | 48½ |
| Coniagas .... | 2.55 | 2.90 | 2.55 | 2.75 |
| Crown Res... | 32 | 41 | 30 | 35 |
| Dome Mines. | 14.75 | 15.00 | 13.25 | 14.65 |
| Hollinger ... | 6.40 | 7.56 | 6.15 | 7.47 |
| Keora ...... | 16½ | 23¾ | 16½ | 22 |
| La Rose ..... | 35 | 50 | 35 | 48 |
| McKinley-Dar. | 58 | 73 | 58 | 70 |
| McIntyre .... | 1.80 | 2.19 | 1.79 | 2.16 |
| Nipissing ... | 10.50 | 13.00 | 10.50 | 12.90 |
| Pete. Lake .. | 12½ | 20½ | 12¼ | 20 |
| Porc. Crown.. | 28½ | 33 | 26½ | 27 |
| Schumacher . | 26 | 27½ | 20¼ | 24 |
| Teck-Hughes. | 20 | 24½ | 19 | 19½ |
| Timiskaming. | 38 | 45½ | 36¾ | 44¾ |
| Trethewey.... | 34 | 37½ | 30 | 37½ |
| Wasapika ... | 85 | 109 | 70 | 75 |
| Lake Shore .. | 1.00 | 1.27 | 98 | 1.26 |
| Mining Corp.. | 1.80 | 2.00 | 1.70 | 2.05 |

### Dome Declares Dividend

One of the best pieces of news the market has had during the past week has been the declaration of a dividend of 25 cents a share by Dome Mines, payable Jan. 15, to shareholders of record Dec. 31. The dividend has been expected for some time, and that the market had not fully discounted it was shown by the rise of Dome from $14.25 to $15.00 on Wednesday.

Winnipeg is going through a period of speculation such as the opening up of the Cobalt and Porcupine areas brought on in Toronto. The Rice Lake gold area of Manitoba has again come into the limelight, but it would seem that the final development of that proven good area is assured at last. A number of companies have been formed in Manitoba to take over claims in that area, and some of the properties that will be explored and developed are the Gold Pan, Parl Extension, Boulder Mines, and the Gabrielle Mine.

## BEAVER MINES

Beaver Mines has attracted a good deal of attention during the past week, largely on account of the advance in silver prices and the very favorable report issued by F. L. Culver, president of the company, on the results of development work on the Cobalt properties. Some rich strikes of ore have been made at several levels down to 700 feet, while the Kirkland lake gold mine is handling 150 tons of ore daily. Beaver has risen from 41 cents to around 48 cents in a week. President Culver is taking a party of English and Amerfican financiers on a visit to the mine.

## DEVELOP THE GABRIELLE

### Pioneer of Rice Lake District Will Be Operated

The pioneer mine of the Rice Lake district, the Gabrielle, seems to be coming in for real development work at last. The financing of the new company is already under way, and it is hoped to have the lower levels thoroughly explored before next spring. J. B. Tyrrell, the Canadian mining engineer, has explored the property and has turned in a very optimistic report to the directors of the company, who are mainly Winnipeg business men. His preliminary report showed no "nil" assays, and one sample taken on a length of 25 feet diagonally across a 13 feet vein yielded on assay $25 to the ton in gold.

The Gabrielle mine was originally acquired in 1911 by a group of military officers in Winnipeg, and they are taking stock in the new company in exchange for their holdings.

# BRITAIN AFTER WORLD MINING LEADERSHIP

## Financial Men Co-operate to Beat Germany and United States

LONDON, ENG.—An interesting prospectus is appearing in the financial papers. The National Mining Corporation, Ltd., has been organized to promote co-operation between British mining companies with a view to giving British interests world-preponderance in the mining industry.

The prospectus points out that in the past both Germany and the United States, by the co-operation of their respective capitalists, have led Great Britain in the mining industry.

Two million shares of a par value of £1 each have been taken by a syndicate which comprises practically all the great mining capitalists of the British Isles. E. Mackay Edgar, head of Sperling and Company, is a director. An additional 500,000 shares is being offered for public subscription. The prospectus says:

"The principle of financial co-operation amongst the leading mining houses in this country has hitherto not been sufficiently considered as a material factor in the maintenance of the important position which British capital and enterprise have attained throughout the world. As a result, this country has to some extent lost the commanding position which it once held in the mining and metallurgical industries, the control of which has been secured by foreign capital, particularly in the U.S.A. and Germany, where the industry is vested in powerful corporations with great financial resources, supported by their banking institutions, and commanding the services of technical experts of the highest ability.

"The main reason that has brought about such loss of control is the fact that, with one or two exceptions, the financial resources of any one mining house or group in this country have not been sufficient to undertake the provision of the capital necessary for large mineral industrial enterprises. As the advantages of financial co-operation have now been accepted, a number of the leading mining houses in the city of London have united in the formation of this company with a view to securing a dominant position in the industry."

## NIPISSING MINES

Nipissing has sold up to $13,000 this week, and there has been very little stock available even at that price. With ore reserves of 7,000,000 ounces, and a cash surplus of $4,300,000, the largest in the company's history, the nominal value of the stock, rated on these two points alone, is about $10 a share, while the potential value of the unexplored portions of the properties, and the possibilities of the Texas oil lands now being drilled can only be guessed at.

## MINING STOCK QUOTATIONS

Week Ending Nov. 26.

| | High | Low | Close | Sales |
|---|---|---|---|---|
| Adanac ...... | 7½ | 6⅜ | 6⅜ | 80,200 |
| Apex ........ | 3⅝ | 3 | 3 | 22,500 |
| Atlas ........ | 40 | 27 | 39½ | 13,600 |
| Bailey ....... | 5 | 4¾ | 5 | 1,600 |
| Beaver ...... | 47 | 42 | 47 | 68,800 |
| Boston Creek. | 20 | 18 | 18 | 2,100 |
| Cons. Smelters | 29 | 28¾ | .. | 553 |
| Chambers .... | 13 | 12 | 13 | 7,000 |
| Coniagas ..... | 2.80 | 2.75 | 2.75 | 40 |
| Crown Reserve | 36 | 34 | 35¾ | 8,400 |
| Dome Exten... | 35 | 34½ | 35 | 14,350 |
| Dome Lake .. | 16 | 15 | 15 | 4,745 |
| Dome Mines .. | 15.00 | 13.95 | 14.50 | 1,223 |
| Gold Reef ... | 4½ | 4 | 4⅜ | 18,600 |
| Gifford .. ... | 2 | 1⅜ | 2 | 4,600 |
| Gr. Northern. | 3¾ | .. | .. | 9,000 |
| Davidson .... | 72½ | 70 | 72 | 11,300 |
| Hargraves ... | 3¼ | 3 | 3 | 2,000 |
| Hollinger .... | 7.50 | 7.30 | 7.40 | 5,821 |
| Hillcrest ..... | 60 | 59 | 60 | 140 |
| Kerr Lake ... | 4.25 | 4.00 | 4.25 | 500 |
| Keora .. .... | 23½ | 21½ | 21¾ | 78,100 |
| Kirk. Lake ... | 42 | 41 | 42 | 13,000 |
| Lake Shore .. | 1.27 | 1.23 | 1.25 | 2,300 |
| La Rose ..... | 50 | 42½ | 50 | 21,290 |
| McKin. Darr. . | 70 | 65 | 70 | 1,550 |
| McIntyre .... | 2.15 | 2.09 | 2.14 | 18,182 |
| Newray ...... | 13 | 12 | 13 | 3,000 |
| Nipissing .... | 13.35 | 11.90 | 12.90 | 2,383 |
| Mining Corp... | 2.05 | 2.00 | 2.00 | 850 |
| Ophir .. ..... | 3¾ | 3½ | 3⅝ | 7,000 |
| Pete. Lake ... | 20½ | 18¾ | 19¾ | 66,300 |
| Porc. Imperial | 1⅝ | .. | .. | 1,000 |
| Porc. Crown.. | 27½ | 26½ | 27 | 6,700 |
| Porc. Tisdale.. | 1⅝ | .. | .. | 33,450 |
| Schumacher .. | 25 | 22¾ | 24 | 5,000 |
| Teck-Hughes . | 20 | 19 | 19½ | 11,204 |
| Thom.-Krist .. | 7¼ | 7 | 7¼ | 9,500 |
| Trethewey .... | 37½ | 34 | 37½ | 24,600 |
| Wasapika .... | 1.02 | 75 | 85 | 7,950 |
| Timiskaming.. | 44½ | 42½ | 44½ | 29,400 |
| V. N. T....... | 23 | 20 | 21¾ | 17,300 |
| **West Dome ..** | **9¼** | **9** | **9¼** | **8,400** |
| **West Tree ...** | **14½** | **12** | **14½** | **6,250** |

# COMPANY FORMED HERE TO EXPLOIT PEACE RIVER OIL

## Forty-eight Thousand Acres of Alberta Oil Land Controlled

## TORONTO CAPITAL

### Million Shares Being Issued to Finance Sinking of Four Wells at Various Points on Property

With the incorporation, by a syndicate of Toronto business men, of a company capitalized at $5,000,000, to develop 48,000 acres of Peace River oil lands, comes the first definite bit of information concerning the exploitation of the Northern Alberta petroleum fields. For months past, reports have been coming from the district, telling of the activities of the Standard Oil Company's geologists, the jockeying of the Shell Transport interests for control of 30,000 square miles of Alberta land, and Government geologists have been busy exploring the country and trying to determine the best points at which to pierce the crust of what Walter Noble Burns, writing in the Magazine of Wall Street, described as the "greatest subterranean reservoir of petroleum in the world."

All these activities have been shrouded in a veil of mystery, for the biggest interests have kept their plans secret, and the smaller interests have been too busy getting leases on the best oil lands to say much. That there is oil in the Peace River country is an absolute certainty; that it is there in quantities sufficiently paying to warrant development on a gigantic scale is still to be proven; but all those who have gone into the district have gone into it with a fixed determination to find out if the district can live up to what is claimed for it. Indications all point to success; the only point to be determined, is at what spot the oil can best be drilled for, and this feature would seem to give the interests with the largest holdings—thousands rather than dozens of acres—the best chance to make good.

### Holds 48,000 Acres

The company which has now been organized to develop large holdings of land in the district, is the Peace River Petroleums, Ltd., and 1,000,000 shares of the capital stock are now being offered for sale. The company already owns, or controls, 48,000 acres of land in the Peace River district, and has two wells producing small quantities of oil already. The oil being produced now is from one of the upper strata. These wells will be driven to the mid-Devonian crust, where it is believed the big pool lies.

The company plans to use the proceeds of the present issue to drive four wells on various locations on their property, which is distributed in three sections near Peace River town. It is estimated that it will cost $200,000 to sink these wells, and as the stock is being offered at 35 cents a share, there will be a substantial surplus for contingencies.

John Hallam, head of the John Hallam Fur Company of Toronto, has been elected president of the company, and the other directors are also Toronto men. The flotation is being handled by W. C. Goffat & Company. Mr. Goffat was formerly mayor of Orillia, Ontario, but has spent the past four years in Peace River, and it was through his efforts that the present company was formed.

## DIVIDENDS

| | | | |
|---|---|---|---|
| Royal Bank ....... | Dec. 1 | 3 | Nov. 15 |
| Bank of Hamilton.. | Dec. 1 | 3 | Nov. 20 |
| Bank of Commerce. | Dec. 1 | 3 | Nov. 17 |
| Bank of Toronto... | Dec. 1 | 3 | Nov. 17 |
| Union Bank ....... | Dec. 1 | 2½ | Nov. 14 |
| Bank of Montreal.. | Dec. 1 | 3 | Oct. 31 |
| Home Bank ....... | Dec. 1 | 1½ | Nov. 15 |
| Det. United Ry.... | Dec. 1 | 2 | Nov. 15 |
| Ogilvie, pref. ...... | Dec. 1 | 1¾ | Nov. 21 |
| Lake of Woods, pfd. | Dec. 1 | 1¾ | Nov. 29 |
| Do., com.......... | Dec. 2 | 3 | Nov. 29 |
| Hollinger ......... | Dec. 2 | 1 | Nov. 20 |
| Crow's Nest Coal... | Dec. 1 | 1½ | Nov. 25 |
| Murray-Kay, pfd... | Dec. 1 | 3½ | ....... |
| Windsor Hotel .... | Dec. 1 | 3 | Nov. 24 |
| Hochelaga Bank.... | Dec. 1 | 2¼ | Nov. 15 |
| Woods Mfg., com... | Dec. 1 | 1¾+5 | Nov. 28 |
| Imperial Oil........ | Dec. 1 | 75c | Nov. 25 |
| Can. Car, pref..... | Dec. 10 | 1¾ | Dec. 1 |
| Belding Paul, pref.. | Dec. 15 | 3½ | Dec. 1 |
| Mont. Cottons, com. | Dec. 15 | 1¼ | Nov. 29 |
| Do., pref. ....... | Dec. 15 | 1¾ | Nov. 29 |
| Can. Steam., com... | Dec. 15 | 1 | Dec. 1 |
| Tooke Bros., pfd.... | Dec. 15 | 1¾ | Nov. 29 |
| Royal Bank (bonus). | Dec. 20 | 2 | Nov. 29 |
| Sher.-Williams, pfd.. | Dec. 30 | 1¾ | Dec. 15 |
| C. P. R., com....... | Dec. 31 | 2½ | Dec. 1 |
| Gen. Electric, com.. | Jan. 1 | 2 | Dec. 11 |
| Wabasso ........... | Jan. 2 | 2 | Dec. 15 |
| Bank of N. Scotia.. | Jan. 2 | 4 | Dec. 16 |
| Canada Landed ... | Jan. 2 | 2¼ | Dec. 17 |
| Dom. Steel Corp., c. | Jan. 1 | 1¼ | Dec. 5 |
| Dom. Iron, pref .... | Jan. 1 | 1¾ | Dec. 13 |
| Dom. Textile, com.. | Jan. 2 | 2 | Dec. 15 |
| Duluth Sup., pfd.... | Jan. 2 | 1 | Dec. 15 |
| Dominion Bank .... | Jan. 2 | 3+1 | Dec. 20 |
| Molsons Bank ..... | Jan. 2 | 3 | Dec. 15 |
| Lon. & Can. Loan.. | Jan. 2 | 2+1 | ....... |
| McIntyre Mines ... | Jan. 2 | 5 | Dec. 1 |
| Can. Permanent ... | Jan. 2 | 2½ | Dec. 15 |
| McKinley-Dar. .... | Jan. 1 | 3 | Dec. 16 |

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# Canadian Car & Foundry Company, Limited

### AND CANADIAN STEEL FOUNDRIES, LIMITED AND OTHER ASSOCIATED COMPANIES

## TENTH ANNUAL REPORT

### YEAR ENDED SEPTEMBER 30th, 1919

### BOARD OF DIRECTORS

W. F. ANGUS, MONTREAL
H. W. BEAUCLERK, MONTREAL
W. W. BUTLER, MONTREAL
V. M. DRURY, MONTREAL
A. HICKS LAWRENCE, NEW YORK, N.Y.
J. FRATER TAYLOR, MONTREAL
HON. C. P. BEAUBIEN, SENATOR, MONTREAL
K. W. BLACKWELL, MONTREAL
HON. N. CURRY, SENATOR, MONTREAL
ERSKINE HEWITT, NEW YORK, N.Y.
WM. MCMASTER, MONTREAL
HON. E. C. SMITH, ST. ALBANS, VT.
MARK WORKMAN, MONTREAL

### CONSOLIDATED STATEMENT OF SURPLUS AND PROFITS SEPTEMBER 30th, 1919

| | | |
|---|---|---|
| Combined Profits for the Fiscal Year ending September 30th, 1919. | | $2,993,470.61 |
| DEDUCT: | | |
| Provision for Depreciation | | 568,718.84 |
| Profits before charging Interest | | $2,424,751.77 |
| DEDUCT: | | |
| Interest on Bonds Outstanding | $493,910.52 | |
| Interest on Bank Loans, etc. | 43,206.55 | |
| | | 537,117.07 |
| Profits for the Fiscal Year, subject to Government Taxes | | $1,887,634.70 |
| Combined Surplus of the Canadian Car & Foundry Company, Limited, and its subsidiary Companiesat Sept. 30, 1918, subject to Government Taxes for year ended that date | | 5,830,171.86 |
| | | $7,717,806.56 |
| DEDUCT: | | |
| Dividends paid—8¾ per cent. on Preference Stock | | 656,250.00 |
| Surplus carried forward, September 30, 1919, subject to Government Taxes | | $7,061,556.56 |

### CONSOLIDATED BALANCE SHEET, SEPTEMBER 30th, 1919

#### ASSETS

| | | | |
|---|---|---|---|
| **COST OF PROPERTIES:** | | | |
| Real Estate, Buildings, Machinery, Patents and Goodwill, as at September 30, 1918 | | $21,376,024.36 | |
| Additions during Fiscal Year | | 997,939.83 | |
| | | | $22,373,964.19 |
| **DEPOSITED WITH MONTREAL TRUST COMPANY:** towards the redemption of the outstanding Bonds of the Montreal Steel Works, Limited, invested in Securities | | | 100,000.00 |
| **CURRENT ASSETS:-** | | | |
| Inventories of manufactured and partly manufactured product, materials and supplies, at or below cost | | $7,394,225.51 | |
| Accounts and Bills Receivable (Less Reserve) | | 2,326,184.33 | |
| Temporary Investments—Government and other Securities | | 1,903,297.87 | |
| Cash in Bank | | 814,915.58 | |
| | | | 12,438,623.29 |
| **DEFERRED CHARGES:** | | | 104,848.14 |
| | | | $35,017,435.62 |

#### LIABILITIES

| | | | |
|---|---|---|---|
| **CAPITAL STOCK:** | | | |
| **Preference:** Seven per cent. cumulative and participating: Authorized and Issued—75,000 Shares of $100 each | | | $ 7,500,000.00 |
| **Ordinary:** | | | |
| Authorized—50,000 Shares of $100 each | | $5,000,000.00 | |
| Issued —49,750 Shares of $100 each | | | 4,975,000.00 |
| **BONDED DEBT:** | | | |
| **Canadian Car & Foundry Company, Limited:** | | | |
| First Mortgage Thirty Year Six Per Cent Sinking Fund Gold Bonds, due 1939 (Authorized $7,500,000) | $6,275,000.00 | | |
| LESS: Redeemed by Sinking Fund | 1,051,866.60 | | |
| | | 5,223,133.40 | |
| **Canadian Steel Foundries, Limited:** | | | |
| First Mortgage Collateral Trust Bonds Six Per Cent, due 1936 (Authorized $5,000,000) | $3,650,000.00 | | |
| LESS Bonds held in escrow by Montreal Trust Company towards redemption of Montreal Steel Works Ltd. Bonds | 742,069.34 | | |
| | $2,907,930.66 | | |
| LESS: Retired by Sinking Fund | 690,288.00 | | |
| | | 2,217,642.66 | |
| First Mortgage Six Per Cent. Gold Bonds, due 1940, of the Montreal Steel Works Limited | | 742,000.00 | |
| | | | 8,182,776.06 |
| **MORTGAGE** on Craig Street Property | | | 100,000.00 |
| **CURRENT LIABILITIES:** | | | |
| Accounts and Trade Bills Payable and Payrolls | | $1,661,161.65 | |
| Interest Accrued | | 150,985.97 | |
| Dividend Payable Oct. 10, 1919 | | 262,500.00 | |
| | | | 2,074,647.62 |
| **RESERVES:** | | | |
| Depreciation Reserves | | 3,561,254.67 | |
| Special Reserve Fund | | 500,000.00 | |
| Operating and Miscellaneous Reserves | | 1,062,200.71 | |
| | | | 5,123,455.38 |
| **Surplus**, as per attached statement, subject to Government Taxes | | | 7,061,556.56 |
| | | | $35,017,435.62 |

NOTE—Excluding amount due October 10, 1919, as above 24½ Per cent. of Preference Dividends remain unpaid.

*Approved on behalf of the Board:*
*W. W. BUTLER, Director.*
*K. W. BLACKWELL, Director.*

L. A. PETO,
*Comptroller.*

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have examined the Books and Accounts of the Canadian Car & Foundry Company, Limited, and its Subsidiary Companies, for the year ending September 30, 1919, and have obtained all the information and explanations which we required; and we certify that, in our opinion, the above Balance Sheet at September 30, 1919, is properly drawn up so as to exhibit a true and correct view of the state of the combined affairs of the Canadian Car & Foundry Company, Limited, and its Subsidiary Companies, according to the best of our information and the explanations given to us and as shown by the Books of the Companies.

PRICE, WATERHOUSE & CO.,
*Auditors*

MONTREAL, November 11, 1919

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### MAPLE LEAF MILLING

Maple Leaf Milling Company common, after showing a decidedly bearish tendency during the past week came back strong in Friday and Saturday's trading. Showing a clear gain of ten points on the previous trading. The report of further orders for export and the probability of the continuance of this business has given confidence that the satisfactory business that has been shown by the company in the past is likely to continue. Under very limited selling the preferred ranged from 101½ to 103.

### BANK STOCK CHANGES.

| | Last Nov. 20 | Sale Nov. 27 | Ch'ge |
|---|---|---|---|
| Commerce | 199 | 198½ | — ½ |
| Dominion | 204½ | 204 | — ½ |
| Hamilton | 194½ | 191 | — 3½ |
| Hochelaga | *158 | 155 | — 3 |
| Merchants | 190 | 188½ | — 1½ |
| Molsons | 191 | 192⅞ | + 1⅞ |
| Montreal | 208 | 208 | .... |
| Nova Scotia | 275 | 273 | — 2 |
| Royal | 216 | 216½ | + ½ |
| Standard | *211¾ | 210 | — 1¾ |
| Toronto | 196 | 195⅞ | — ⅛ |
| Union | 160 | 159 | — 1 |

*Last previous sale.

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# MONEY BANKING AND EXCHANGE

## BANK CLEARINGS ARE 13.6% AHEAD OF LAST YEAR

### Out of Twenty-Seven Cities Reporting, Five Show a Decrease

### EAST GAINS 17.2 P.C.

### Windsor Reports Largest Gain—Toronto Gains 40.9% and Montreal 5.7%—Winnipeg Declines 6.7%

For the week ending November 27, bank clearing returns show an increase of 13.6 per cent., over the figures for the corresponding period in the previous year. The total for the week is $389,622,87, against $342,725,-590 a year ago. All cities with exception of Halifax, Winnipeg, Moose Jaw, Fort William and Lethbridge, report an increase.

In the East the increase is $40,843,-416, or 17.2 per cent. Windsor again reports the largest percentage gain, the increase being $1,148,625, or 85.1 per cent. Montreal reports an increase of $7,520,412, and Toronto an increase of $27,083,075.

Western cities report a gain of $6,053,866, with Prince Albert reporting the largest percentage gain. Edmonton also shows a substantial gain at 63.1 per cent. Winnipeg's total is lower by $4,698,787. Following are comparative figures:

#### WEEKLY BANK CLEARINGS
(In comparison with same week last year.)

Eastern Cities.

| | Nov. 27, 1919 | Change | % |
|---|---|---|---|
| Montreal | $ 140,688,057 + | $ 7,520,412 | 5.6 |
| Toronto | 93,148,987 + | 27,083,075 | 40.9 |
| Ottawa | 12,093,318 + | 297,967 | 2.5 |
| Hamilton | 6,702,200 + | 1,909,580 | 39.8 |
| Quebec | 5,911,168 + | 772,710 | 15.3 |
| Halifax | 4,666,919 — | 237,772 | 4.8 |
| London | 3,510,867 + | 947,860 | 36.9 |
| St. John | 3,190,883 + | 807,120 | 33.8 |
| Brantford | 1,020,383 + | 110,816 | 12.1 |
| Peterboro | 989,193 + | 120,130 | 13.8 |
| Sherbrooke | 1,038,768 + | 114,339 | 12.3 |
| Kitchener | 1,010,712 + | 248,554 | 32.6 |
| Windsor | 2,498,014 + | 1,148,625 | 85.1 |
| Total East | $ 276,469,470 + | $ 40,843,416 | 17.2 |

Western Cities

| | Nov. 27, 1919 | Change | % |
|---|---|---|---|
| Winnipeg | $ 64,810,262 — | $ 4,698,787 | 6.7 |
| Vancouver | 15,375,017 + | 4,341,762 | 39.3 |
| Calgary | 10,111,482 + | 2,219,142 | 28.1 |
| Edmonton | 5,919,713 + | 2,292,117 | 63.1 |
| Victoria | 2,393,789 + | 558,838 | 30.4 |
| Regina | 5,276,130 + | 898,991 | 20.5 |
| Saskatoon | 2,587,106 + | 438,651 | 20.4 |
| Moose Jaw | 2,151,943 — | 393,886 | 15.4 |
| Ft. William | 969,394 — | 78,039 | 7.4 |
| Brandon | 1,061,190 + | 73,477 | 7.4 |
| Lethbridge | 683,194 — | 86,571 | 11.2 |
| N. Westminster | 591,849 + | 136,552 | 30.0 |
| Medicine Hat | 538,049 + | 46,563 | 9.5 |
| Prince Albert | 684,278 + | 305,056 | 80.4 |
| Total, West. | $ 113,153,402 + | $ 6,053,866 | 5.6 |
| Grand total | $ 389,622,872 + | $ 46,897,282 | 13.6 |
| Yr. to date | $14,097,122,334 + | $2,276,340,402 | 19.2 |

### STANDARD

The Standard Bank of Canada has opened a branch at Windham Centre, Ont., and a sub-branch at Teeterville, Ont.

### NOVA SCOTIA

The Bank of Nova Scotia has opened a new branch at the corner of Woodbine avenue and Gerrard street, Toronto, with A. M. McBain, who has just returned from military duties, in charge.

H. Sutherland, who is manager of the Queen and Church streets branch of the Bank of Nova Scotia, has been made manager of the branch at Queen and McCaul, and F. W. Moody, of the Picton branch, is succeeding Mr. Sutherland.

The Bank of Nova Scotia announces the following staff changes:—

H. Sutherland, formerly manager at Queen and Church Streets Branch, Toronto, has assumed the management of Queen and McCaul Streets Branch, Toronto.

F. W. Moody, formerly manager at Picton, Ont., succeeds Mr. Sutherland at Queen and Church Streets, Toronto.

W. R. Adams, formerly manager at Stouffville, Ont., succeeds Mr. Moody at Picton, Ont.

M. G. Bruce, formerly manager at Queen and Lee Branch, Toronto, succeeds Mr. Adams at Stouffville, Ont.

J. S. Lewis, formerly manager at Chatham, N.B., Branch, but more recently on sick leave, succeeds Mr. Bruce at Queen and Lee Branch, Toronto.

Major A. D. MacDonald, who has returned from military duty, has been appointed chief accountant of the bank.

H. C. Coon, former chief accountant, has been appointed inspector.

E. G. Spencer has been appointed manager of the staff department of the Bank.

Branches of the Bank have recently been established at the following points: havelock, N.B.; Debec, N.B.; Melfort, Sask.; Doaktown, N.B.

### MONTREAL

In a recent issue of the FINANCIAL POST it was stated that the Bank of Montreal had purchased the old Hotel Metropole at London, Ont. It is understood, however, that the bank has only purchased the lease of the present tenant and not the property.

### ROYAL

The Royal Bank of Canada announces the opening of a branch in Buenos Aires, Argentine, which will be under the management of T. F. Dever, late manager of the branch in Barcelona, Spain, and formerly supervisor of Cuban branches.

S. J. Macleod, formerly manager of the Royal Bank, Swift Current, has been transferred to Winnipeg, where he will take the duties of assistant manager of the Main street branch.

R. W. Hanson, Royal Bank manager at Lethbridge, has been appointed inspector of branches for Alberta, with headquarters at Calgary.

### DOMINION

A branch of the Dominion Bank was opened at Bracebridge, Ont., on the 20th inst.

A branch of the bank has also been opened at Cedar Dale, Ont.

### COMMERCE

A branch of the Canadian Bank of Commerce has been opened at Marpole, B.C., temporarily in charge of F. G. Exshaw.

W. J. Savage, formerly manager at Swift Current, has now taken charge of the Saskatoon branch of the bank.

C. Lomer Miles, manager at Herbert, Sask., who is well known in Winnipeg and the West, has been transferred to Charlottetown, P.E.I.

### TORONTO

S. B. Chamberlain, who for some years has been manager of the Bank of Toronta at Swan River, has been appointed to take charge of the new office which the bank has opened at Fort William.

### MOLSONS

F. W. B. DeJean, of Alvinston, will be manager of the new branch of the Molsons Bank at Harrow, and A. W. Skinner, formerly of Quebec, will be accountant.

### HAMILTON

J. C. Wright, accountant at the Saskatoon branch of the Bank of Hamilton, has been appointed manager for the bank at Altona.

It has been announced that the Bank of Hamilton will shortly open a border city branch in Windsor, on a prominent corner on Oulette avenue, recently bought for the purpose. The manager of the branch will be W. N. McKay, who is at present manager of the Goderich branch.

### UNION

The tenth branch of the Union Bank of Canada was opened in Toronto this week, bringing the institution's system up to a total of 386 branches. This branch will be known as the Gerrard and Woodbine branch and will be under the supervision of the Gerrard and Greenwood branch, with R. L. Wallace as acting sub-manager. Business commenced in temporary premises at 1960 Gerrard street, but it is expected that a suitable new building will be erected on premises owned at the corner of Woodbine and Gerrard next spring.

A. R. Biron has been appointed teller-accountant at Papineauville.

J. C. McKendry, Toronto, has been transferred to Fisherville.

G. P. Sylvain has been appointed acting teller-accountant at Kenogami, Que., and G. Petrie, of Kenogami, has been attached at Quebec.

J. M. Bell, Calgary, has been transferred to Edmonton and L. M. Hart, Edmonton, has been transferred to Calgary.

J. M. Windsor, formerly of Blairmore, has been appointed manager at Boissevain.

J. B. Wilson, Foremost, has been appointed manager of the Blairmore and Belleville, Alberta, branches.

A. G. Ross, Boissevain, has been transferred to the inspection department at Winnipeg.

W. W. Barry, Russell, Man., has been appointed manager at Yorkton, and R. C. Jamieson, Winkler, has been appointed at Russell.

A. G. Donaldson, Yorkton, has been appointed manager at Wilkie.

Recently returned from military services A. E. Eastes has been attached at Victoria, B.C., J. S. Fawcett at Rosetown, Robert E. Gardiner at Claresholm and Louis J. Tissot at Saskatoon.

In connection with the splendid record made in the Victory Loan campaign by the Galt branch, a correction of the figures given is in order. This branch won the honor flag with 114 crests with every member of the staff subscribing and the amount totalling 291.55 per cent. of their annual salaries.

## FOREIGN TRADE DEPT. OF THE ROYAL BANK

### New Departure as Result of Canadian Interest in Foreign Markets

MONTREAL.—The Royal Bank of Canada announces the establishment of a Foreign Trade Department at head office to handle commercial enquiries and to cater to the growing interest shown in export trade by Canadian business men. This new department is to be in charge of L. D. Wilgress, who, for some years, has been connected with the Department of Trade and Commerce, Ottawa, and who, during the past three years, has been in Siberia in the capacity of Canadian Trade Commissioner, being stationed first at Omsk and afterwards at Vladivostok.

The establishment of such a department has been rendered necessary by the rapid extension of the foreign connections of the bank. Every mail brings an increasingly large number of enquiries from foreign firms desirous of establishing connections with Canadian houses for the import or export of merchandise. These enquiries will, in future, be handled by the newly established Foreign Trade Department. Information regarding trade conditions in foreign countries, markets for Canadian goods, current prices in export markets, and particulars as to the credit and standing of foreign firms will be systematically collected and kept on file for the use of Canadian firms. Publications will be issued from time to time on subjects connected with the development of Canadian trade, both domestic and foreign.

## NEW YORK FUNDS MARKET DEPENDS ON BRITISH RATE

### Governor Harding, of Federal Reserve Board, Says Rate Hurts U.S.A.

### MARKETS ARE STEADY

### Little Change Noted During the Week in Quotations for Sterling, Francs or New York Funds—Week's Record

The continued low discount rate for Canadian money in the United States, which, during the past week has shown only small fractional fluctuations, lends interest to the statement of Governor Harding, of the United States Federal Reserve Board, that a continuation of the present exchange rate must eventually react to the disadvantage of that country. Governor Harding points out that the low exchange rate is bound to benefit Canada in the end because it deters Canadians from buying across the line.

There is a tendency in some quarters to feel that exchange rates between Canada and the United States will remain abnormal so long as exchange rates between the United States and Great Britain remain abnormal. There has always been a more or less three-cornered adjustment of balances of trade among the three countries, and while exchange rates are abnormal between two of them, they are bound to be abnormal all around. Speaking on the subject in Toronto this week, Governor Harding said:

> If we want to continue in our trade with Canada we will have to rectify our exchange rates. This can be done just as effectively by stabilizing British and European exchanges as by endeavoring to rectify Canadian exchanges by loans or otherwise, as Britain and Europe are already indebted to Canada, and any improvement on their exchanges will necessarily benefit Canadians.

#### Canadians Speculating

Despatches from London state that Canadians in the British Isles are speculating quite freely in francs. Canadian firms with branch offices in Great Britain, it is said, have sent large balances to French banks to be retained there in expectation of a better rate for francs.

There have been few changes in the chief exchange rates during the past week. Sterling is down about 2 points and francs show a similar weakness. New York funds have remained steady between 4⅝ and 4 15-16.

#### Week's Markets

Fluctuations in sterling and francs for the week have been as follows:

| | Sterling | | Francs | |
|---|---|---|---|---|
| | Demand | Cables | Demand | Cables |
| Nov. 21 | 4.04¼ | 4.05 | 9.68 | 9.66 |
| Nov. 22 | 4.03⅝ | 4.04⅜ | 9.63 | 9.61 |
| Nov. 24 | 4.06 | 4.06¾ | 9.57 | 9.55 |
| Nov. 25 | 4.05⅞ | 4.06⅝ | 9.72 | 9.70 |
| Nov. 26 | 4.04⅝ | 4.05⅜ | 9.72 | 9.70 |
| Nov. 27 | 4.02 | 4.02¾ | 9.75 | 9.73 |

New York funds have acted as follows:

November 21—New York funds opened at 4⅝, and declined to 4 9-16, going back to 4⅝ for the close.

November 22—New York funds were higher to-day, opening at 4¾ and rising to 4 13-16, 4⅞, and 4 15-16. Declined to 4⅞ for the close.

November 24—Funds opened at 4⅞. During the day sales were negotiated at 4 15-16 and 4 29-32, and the closing price was 4⅞.

November 25—Funds opened at 4⅞ and rose to 4 15-16 for the close.

November 26—Funds opened firm at 4 15-16, declining to 4 29-32 for the close.

November 27—New York funds were 4 15-16 at the opening, easing off to 4 29-32 later in the day. The close was at 4⅞.

### BANK OF ENGLAND

London, Nov. 27.—The weekly statement of the Bank of England shows the following changes:—

| | |
|---|---|
| Total reserve, decreased | £1,081,000 |
| Circulation, increased | 1,018,000 |
| Bullion, decreased | 63,175 |
| Other securities, decreased | 736,000 |
| Public deposits, decreased | 3,960,000 |
| Other deposits, increased | 5,665,000 |
| Notes reserve, decreased | 1,010,000 |
| Government securities, inc. | 3,545,000 |

The proportion of the bank's reserve to liability this week is 16.34 per cent., last week it was 17.49 per cent.

Rate of discount, 6 per cent.

### ANOTHER BIG MERGER

#### London City and Midland and Clydesdale of Scotland Mentioned

LONDON.—The latest bank merger reported involves $2,000,000,000 in deposits—the London Joint City and Midland Bank with $1,800,000,-000 and the Clydesdale Bank of Scotland with $200,000,000.

The Clydesdale Bank has about 160 branches throughout Scotland, not only in Glasgow, but in areas north of the Tweed.

It is not unlikely that other Scottish banks will form similar alliances, for, despite sharp criticism directed against the bank combination movement, it is claimed to be inevitable, and necessary for new industrial plans.

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# NEWS AND VIEWS FOR MANAGERS

## A PROPOSAL FOR FREE COLLECTION OF BANK CHEQUES

### Suggestion is From American With Canadian Bank Experience

### SAVING OF INTEREST

### His Argument is That Savings Funds Would be Shifted to Current Accounts Which Are "Non-Bearing"

A collection charge on "outside" checks is a general and understood feature of Canadian bank service. In the United States, the majority of the banks do not make such a charge. Would it pay the Canadian banks, from their own standpoint, to change to the American system? The treasurer of a bank in the State of Maine, who had eight years' experience as a branch manager in Canada before going to the United States, believes that it would. His point is that, as American banks carry much larger funds on deposit on current account than on savings account, this condition would follow the adoption of the policy referred to in Canada, and there would be a saving on interest. Regarding his banking experience in Canada and the United States, and his interest in conditions in this country, he says:

> During my experience in the —— Bank of Canada, eight years of which I was branch manager, I always read THE FINANCIAL POST with great pleasure and with much profit, and now that I am in a similar position with a United States bank, I still take a very great interest in your paper and have been reading "News and Views of Managers" weekly. I do not wish to enter into any controversy regarding "Premium on American Funds" allowed or not allowed, but there is one matter in your issue of the 15th inst. that I would like to comment on; viz., the exchange by Canadian banks on checks drawn on outside points.

As to his suggestion that it would be in the interests of the bank to make the change to the check system employed by the American banks, he observes:

> From my limited experience and trifling knowledge of banking in general it would seem to me that if a Canadian bank could take 'the bit in its teeth," and agree that all checks on its own branches would be payable at par at each branch, that this bank would soon become THE BANK in the Dominion. One great reason why Canadians keep so much more of their money in the savings than in current accounts is the fact that their checks are not worth face value except within a radius of a few miles, and that only if they are not presented at another branch. They know that when they want to make a remittance they must withdraw the funds and either buy a bank, express, or P.O. order and pay for it.

In support of this suggestion, figures are submitted regarding the business and assets of the American bank with which our correspondent is connected. This bank is located in a town which has no other industry than farming, and he does not think that many places of the same size in Canada could compare favorably in banking statistics with the following:

| | |
|---|---|
| Population including farming country | 7,000 |
| Population of town | 3,000 |
| Population of villages in which we compete with banks in nearby towns | 2,000 |
| Number of banks | 2 |
| Number of check accounts | 1,600 |
| Present check deposits | $750,000 |
| Average check deposits | $600,000 |
| Number of savings accounts | 3,000 |
| Present savings accounts | $750,000 |
| Average savings accounts | $800,000 |

In connection with the foregoing, it is pointed out that deposits which do not bear interest are much larger in comparison than they would be in a Canadian town. This leads our correspondent to the conclusion: "That it would pay Canadian banks to eliminate charges for the benefits which would surely follow, viz., an increase immediately of thousands of current accounts, and a consequent reduction in deposits bearing interest. Thus, more money for the banks and better profits; more convenience for the customers and better feeling."

#### Conditions Are Different

In considering the suggestions which have been made by this American bank official, I think that the fundamental differences between the systems in Canada and the United States should be carefully considered. The American banks are practically all devoted to local fields. Thus there is not the expense involved in a par check system as would be the case in Canada, where the big banks have branches from Vancouver to Halifax. Further, at present, checks on any branch at the same banking point are cashed without charge, which goes a long way to provide, in this country, the service available on the other side of the border.

I think about the only point to be considered in this connection is, whether the increased service to the customer of a par-value system for checks at all branches of each chartered bank in Canada would bring benefits to counterbalance the revenue lost by the reduction of interest-bearing accounts, in the manner which has been suggested. There can be little doubt but that, under the Canadian system, there is justification for a charge for service rendered in collecting funds payable on checks drawn at distant points.

— J. W. T.—

## TALK OF A BANKERS' STRIKE AT WINNIPEG

### Agitation Started With Clerks Which May Have Far-Reaching Consequences

From Toronto and Winnipeg the week brings reports of agitations on the part of bank employees for higher salaries. In the former city letters to the newspapers are in evidence, but in the "Western Gateway" there is talk that within three months there may be a strike. The Winnipeg Tribune makes something of a sensation of the matter, and summarizes the dissatisfaction of the clerks as follows:

> Primarily salaries, according to the general complaint, have not gone up commeasurately with the cost of living, especially living on the scale which their position demands—the position of good clothes and immaculate appearance.
>
> Then there is another complaint. Men among the ranks of the bank clerks charge that returned soldiers, who were promised their jobs when they went into the service, have been refused them on their return because they have been married.
>
> The banks, it is said, take the position that when a man under a certain age or a specified period of service marries he automatically ceases to be connected with the institution.

The question has been brought up at Vancouver as to whether the salaries of bank clerks would be affected by a provincial minimum wage act, but the consensus of reliable opinion is that neither the banks nor the railroads would be affected.

#### Bank Clerks as Waiters

Reports that bank clerks in Toronto were working in their spare time as waiters in local restaurants which emanated from the Labor Temple, were received as something in the nature of a mild sensation. However, from reports which have since been made that if there have been any such cases they have been most exceptional—messengers or other employees rather than clerks were probably referred to. In any event there does not appear to be any reason why a bank employee should not do other work after hours, if he can get around union and other regulations. As to whether he has to or he should have to do this to get a living income is entirely another matter.—J. W. T.

## ROYAL BANK BONUS LIKELY PERMANENT

By Special Representative.

HALIFAX.—This city has always been proud of the Royal Bank of Canada, for it was here where, as the Merchants' Bank of Halifax, fifty years ago, it first saw the light. Its renovated office building in this city, which will be ready for occupancy about the beginning of the year, is the most splendid banking premises in Halifax, or indeed in the Maritime Provinces. It has been in the hands of the contractors for more than a year. The celebration of the bank's jubilee is being happily conducted both for the shareholders and the staff. The former will have a distribution of two per cent. on the $14,000,000 of capital which means the tidy sum of $280,000 extra in their dividends and the staff are to have a bonus of twenty per cent. on their salaries. The staff numbers more than 5,000, of whom about 1,800 are women. Taking the women and the men together the year's salaries at an estimated average of $1,000 a year, comes to $5,000,000. In a bonus of 20 per cent. the staff will, therefore, receive the tidy sum of $1,000,000 in salary bonus. This, indeed, is a handsome and most satisfactory way to celebrate the fiftieth anniversary, especially from the point of view of the men and women in the branches everywhere who keep the bank to the front by their efficient service. It is not unlikely that the two per cent. dividend bonus will be made permanent, thus placing the stock on a 14 per cent. basis.

## MAY HOLD UP INTEREST

### Payment May Be Postponed For Three Years

LONDON.—A plan is under discussion by the British and American Governments under which the payment of interest on advances by Great Britain and the United States to the allies in the course of the war, and also on advances by the United States to Great Britain would be postponed for three years, it was announced in the House of Commons today by Austen Chamberlain, the Chancellor of the Exchequer.

## MERCHANTS BANK CONTINUES GROWTH

### Deposits Have Increased $30,000,000 During the Past Twelve Months

By Resident Representative.

MONTREAL.—The half-yearly balance sheet of the Merchants Bank of Canada, as issued this week, and covering up to Oct. 31, 1919, indicates a striking degree of prosperity and progress. While the figures of profit and loss are not made public for the six months' period, marked advances are shown in other directions, and there is every reason to conclude that a substantial increase was secured in this direction as well. The assets of the bank show a gain of $32,582,136, as compared with one year ago, and have now reached a record total of $198,506,572. The deposits amount to $164,302,874, a gain of $30,346,964 during the year. Of this gain, savings amounted to $19,368,746, and $10,749,056 came from demand deposits. Note circulation increased from $15,180,243 to $15,827,373, a gain of $647,130. One of the most impressive evidences of the bank's generous support of business requirements, is seen in the large increase in current loans, from $86,818,802 to $106,254,280, a gain of $19,435,478. Substantial assistance to national calls and municipal needs is indicated in the growth in Government and municipal securities, from $31,558,108 to $36,240,352, or a gain of $4,682,244.

Below is given a condensed statement, applying as of Oct. 31, 1919, and Oct. 31, 1918.

| Assets— | 1919 | 1918 | | Change |
|---|---|---|---|---|
| Cash | $25,642,136 | $20,641,022 | + | $5,001,114 |
| Gold res. | 8,000,000 | 8,500,000 | — | 500,000 |
| Govt. secs. | 36,240,352 | 31,558,108 | + | 4,682,244 |
| Bonds, stocks | 3,870,611 | 3,933,373 | — | 62,762 |
| Call l'ns, Can. | 6,843,017 | 4,916,574 | + | 1,926,443 |
| Do., out. | 3,418,846 | 2,899,198 | + | 519,648 |
| Curr. loans | 106,254,280 | 86,818,802 | + | 19,435,478 |
| Letts. credit | 757,606 | 418,006 | + | 339,600 |
| Bank prem. | 5,663,251 | 5,218,862 | + | 444,389 |
| Other real es. | 911,291 | 333,872 | + | 577,419 |
| Mortgages | 528,177 | 320,615 | + | 207,562 |
| Cir. deposit | 377,000 | 366,000 | + | 11,000 |
| Total | $198,506,572 | $165,924,436 | + | $32,582,136 |
| Liabilities— | | | | |
| Capital | $8,341,535 | $7,000,000 | + | $1,341,535 |
| Reserve | 7,000,000 | 7,000,000 | | .......... |
| Undiv. prof. | 574,43 | 437,973 | + | 136,070 |
| Circulation | 15,827,373 | 15,180,243 | + | 647,130 |
| Deposits | 164,302,874 | 133,955,910 | + | 30,346,964 |
| Due other bks. | 1,703,141 | 1,932,303 | — | 229,162 |
| Letters cred. | 757,606 | 418,006 | + | 339,600 |
| Total | $198,506,572 | $165,924,436 | + | $32,582,136 |

## DISCOURAGING BURGLARS

### Rewards for Capture, Dead or Alive—Preferably Dead

MINNEAPOLIS, Minn.—The present epidemic of bank burglaries and daylight holdups has moved the citizens of Northfield to issue the following notice, which has been posted in many conspicuous places:

> Crooks Take Notice: $300 reward. For burglar dead or alive, preferably dead, offered by the Northfield National Bank. On three minutes' notice, all roads leading from this city will be barricaded and guarded by armed men. Arrangements with surrounding towns have been made to have all roads leading from Northfield blocked and guarded. Four fast autos are held ready for a chase at a minute's notice; 22 business men have been armed with rifles and shotguns. Offices upstairs in buildings covering banks are supplied with rifles backed by men who will use them if needed; 32 vigilants armed with rifles and shotguns are ready day or night. The vigilants of Northfield are picked men, trained marksmen, of proven nerve, with orders to shoot to kill!—A dead crook is the only kind desired here. If you want to pull off anything in Northfield, try it! — Northfield Community Club Vigilance Committee.

## TO ASSIST EUROPE

### Special Committee Formed By American Bankers' Association

NEW YORK.—A national committee on European finance has been organized by the American Bankers' Association. According to the president, Richard S. Hawes, this step was taken by a conference in which all of the elements interested participated. The purpose is to encourage such plans to assist in the acute situation existing as may be formed through conference of this committee which has a membership representing in a broad way the finance and industry of America.

According to Mr. Hawes, it is recognized that American bankers must vigorously impress on the American public the necessity for co-operation in such plans relative to European finance as may be formulated and to have the American people, and particularly the American investing public, with which the bankers naturally are in close touch, realize their responsibility in the matter of facilitating foreign trade.

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The Provincial Natural Gas Company, the largest distributor in the Niagara district field, has posted notification that no new connections will be established in future; that no new patrons will be accepted by the company for natural gas purposes.

## TO INDUSTRIAL BANK

### Important Appointment for R. A. Stephenson, of Harris, Forbes

The appointment is announced of R. A. Stephenson as vice-president of the new Industrial Bank of New York. Mr. Stephenson, who became widely known in 1917 and 1918 as head of the Publicity Committee of the Victory Loan campaign, was Canadian manager for N. W. Harris & Co. before the business was taken over by Harris, Forbes & Co., and then became Canadian manager and a partner in the new firm. Mr. Stephenson had a general banking and bond experience in the United States before he came to Canada. During the past few months he has been away on European business for his firm.

## DEVELOPING FOREIGN TRADE FOR CANADA IS NO "PIKER'S" JOB

Continued from page 1.

in competition with other nations. How little we in Canada knew of export trade he had not appreciated until he went to Europe. There was still much to learn, but the opportunity was great. He outlined conditions in England, France, Belgium, Serbia, and other countries, and showed how these countries were in the market for practically everything this country could manufacture; he pointed out, too, how the whole manufacturing situation of Europe had changed and how the days of cheap labor and long hours were a thing of the past. Canada should be able to meet competition under these conditions, but it was emphasized that business would have to be sought in a strictly business way.

#### No "Piker's" Job

Mr. Harris advocated the appointment of an Empire trade council of practical and successful men to sit in London because it was from that city that the foreign trade campaign should be carried on. It was no "piker's" job. He highly favored Empire trade, and referred to the possibilities of South Africa, New Zealand and Australia. He also scored a point which stirred his audience when he suggested that the British West Indies should be governed by Canada and that there should be trade on an equal basis, the products of the north being exchanged for those of the south.

Developing this idea of inter-Empire trade, Mr. Harris argued that the only way to maintain a healthy exchange situation was to make purchases in the countries which buy from us. He instanced the big American trade balance against us and our comparatively trifling imports from Great Britain.

## MARKETS SOFT AS THE RESULT OF IMPENDING STRIKE

Continued from page 1.

still unsettled as indicated by the wide range of bids in sales which have been made. Opinion still varies as to future trend of prices. In the mining market there has been greater activity and an upward lift in prices.

#### New York Situation

The break undoubtedly had the effect of improving the technical position of the Wall St. market in eliminating the worst excesses of inflation; however, it is regarded as doubtful whether the banking position has been sufficiently improved to permit any general resumption of activity. Looking to the future, other factors than the strike possibility are hopeful. Hayden, Stone & Co. this week will say:

> While such severe breaks as that through which the market has recently passed are bound to be witnessed from time to time, there are to our mind three reasons—any one of which would make it most improbable that—as yet—we have reached the ultimate crest of the hill, and had started in on the long down grade. First is the fact that, in spite of strenuous efforts since the war ended a year ago, production throughout the world has by no means caught up to consumption. There is everywhere still a marked shortage of goods and of most raw commodities. Second, is the enormous amount of credit instruments of one kind and another issued during the war that are still outstanding. Third, is an influence to which, perhaps, enough importance has not been fully ascribed, and that is high taxes. These must be passed all the way down the line, and so long as they continue at anything like the present normal rate will be a very potent factor in the continuance of high prices.

J. S. Bache & Co. say:

> Inasmuch as the security and investment market owes its decline principally to the situation in money, it is reasonable to believe that further drastic liquidation will not follow, but even with the acute pressure removed, it will take some time to readjust machinery, and a sobered attitude is bound to prevail.

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| Amount | Security | Rate of Interest | Maturity | Price to Yield |
|---|---|---|---|---|
| £ 5,000 | Grand Trunk Pacific Ry. (Guaranteed by Dominion of Canada.) | 4% | 1962 | 5.55 |
| £10,000 | Province of Saskatchewan | 4% | 1923 | 5.80 |
| £10,000 | Grand Trunk Pacific Ry. (Guaranteed by the Province of Saskatchewan.) | 4% | 1939 | 6.05 |
| £ 2,300 | City of Vancouver | 4½% | 1928 | 6¼ |
| £ 6,400 | City of Vancouver | 4½% | 1933 | 6¼ |

The following Bonds have principal and interest payable in Canada and England:

| Amount | Security | Rate of Interest | Maturity | Price to Yield |
|---|---|---|---|---|
| £20,000 | Province of Alberta | 4% | 1922 | 6½ |
| £ 2,000 | City of Edmonton | 5% | 1923 | 6¾ |
| £ 2,000 | City of Edmonton | 5% | 1953 | 6¾ |
| £ 2,000 | City of Edmonton | 5% | 1933 | 6¾ |
| £ 2,000 | City of Edmonton | 4½% | 1932 | 6¾ |
| £ 4,000 | City of Edmonton | 4½% | 1929 | 6¾ |
| $25,000 | City of Lethbridge | 4½% | 1939 | 6⅝ |
| £ 3,000 | Pacific Great Eastern Ry. Registered Stock (Guaranteed by the Province of British Columbia.) | 4½% | 1942 | 6½ |
| £ 5,000 | Canadian North-West Ry. Registered Stock (Guaranteed by the Province of Alberta.) | 4½% | 1942 | 6¼ |
| £ 3,000 | Can. Northern Pacific Ry. Registered Stock (Guaranteed by the Province of British Columbia.) | 4½% | 1950 | 6⅝ |

Further particulars of any of the above offerings will be gladly furnished upon request. Any orders may be telephoned or telegraphed at our expense. Bonds delivered free of all charges to any points in Canada.

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TORONTO, NOVEMBER 29, 1919

## CANADIAN VS. AMERICAN BANKING

THE efforts which have recently been made in THE FINANCIAL POST to bring bank customers, bank managers, and bank officials to a better knowledge of each other's problems have been backed by the conviction that, while there may be some room for improvement, the great majority of complaints which are so frequently heard, are the result of misunderstandings. The contention that the Canadian banking system has no superior, has this week been supported from an unexpected quarter. While in Toronto to deliver an address before the Canadian Club on American and international financial conditions, W. P. G. Harding, head of the U.S. Federal Reserve Board, made the statement to the Toronto *Star* that although the American system had proved a success, he preferred that of Canada.

Perhaps the most strenuous attacks upon the Canadian system have been made by those advocating a change to the system employed in the United States. And yet, even after the successful operation of the Federal Reserve system, which has meant a great improvement in American banking, we are told by the Governor of the Federal Reserve Board that he still prefers the system which has given such good service in Canada. In explanation of this attitude, Mr. Harding said:

> "The trouble in America has been that there has never been any effective co-operation between these numerous banks, and, about every 15 or 20 years, there has been a financial breakdown, resulting in panics, for instance, in 1873, 1893, and 1907. Now Canada is not affected by these except indirectly, owing to your better currency and banking system. Your banks have been able to issue more currency; something we have not been able in the past to do on account of our more rigid system. The only way it ever affected you was in your dealings with the American banks."

## THE MUNICIPALITIES AND THE GOVERNMENT

THE party newspapers in Toronto have always pretended that the issue in matters concerning the Hydro-Electric Power Commission of Ontario lay between the general public on the one side and the corporations on the other; Sir Adam Beck has always encouraged this idea. Many people, entirely ignorant of the rights and wrongs of the matter, have allied themselves with the Hydro-Electric movement to be on their own side, being of the public, as against the corporations and the capitalists.

Sir Adam Beck, as a member of Sir James Whitney's Government, adopted the policy of the *Globe* and *Star* and other Liberal papers—a policy which had never been his own—on public ownership and hostility to corporation interests and control. The result was that the Conservative papers supported the policy of their party, and the Liberal press supported it as being in accord with the recognized principles of the Liberal Party. Backed by the press of both parties, Sir Adam entered into partnership with the municipalities, using them then and ever since as the political force by which he compelled year by year the consideration and support of the Government party, of which he was a member.

What is the real issue? It certainly is not now between the public and the corporations.

If the Hydro-Electric Commission has a record of successful enterprise on behalf of the ratepayers of the Province of Ontario, and of the interested municipalities, with proper accounts of assets and liabilities and of operations year by year, audited and certified by responsible accountants, the capitalistic interests—the big taxpayers—could not and would not raise objection any more than in regard to the Dominion Railway Board, the Temiskaming and Northern Ontario Railway Commission and many public organizations.

The Hydro-Electric Commission has been conducted from a different point of view altogether. Sir Adam Beck took it from within the limits which Sir James Whitney had placed upon it and extended it into a capitalistic enterprise of huge proportions. To enable him to do this he had to plan in secret. He never invited the confidence of the Government or of the general public. He never published the usual reports and audits. In fifteen years there have never been the ordinary commercial statements which accompany any business enterprise. It is quite true that there have been audited accounts made to the Government and to the municipalities, but they have never been accounts which would have been accepted by a Government that was absolutely free to criticize, and without political ends in view, or by banks or financial institutions who might be called upon to pass upon the financial solvency of the undertaking. It is not known to-day from the accounts of the Hydro-Electric whether the enterprise is in a solvent or bankrupt condition.

**The real issue at this moment is whether the Hydro-Electric and Radial Railway plans of Sir Adam Beck will prove successful or unsuccessful; that is the question which is now before the new Government of the Province of Ontario.**

It will be, no doubt, freely conceded by the Government that the enterprise is a business venture requiring the closest investigation and the highest order of superintendence, involving as it does hundreds of millions of dollars and the credit of the Government. When Sir Adam Beck insists that the municipalities are the owners of the enterprise he knows that the liability is also a provincial one, and that in case of loss it will have to be faced by the taxpayers of the Province, as in the case of the Municipal Loan Fund.

The question for the new Government is not whether the Hydro-Electric Commission is popular with the people, who know little or nothing about it, but whether they are justified as a matter of business in pledging their credit in the immense sums required upon the merits of the undertaking.

Few members of Monday's deputation will know what is intended by their own demands. Such a deputation should be supported by engineers' reports, financial statements, auditors' certificates, and the favorable written opinions of important financial leaders.

Another feature must be remembered—that the representatives of the municipalities are interested parties, convinced that they are in a paying business, which will result in profit to themselves, but they do not represent, as the Government does, the general body of taxpayers in the province.

## THE GRAND TRUNK DEAL—A MISTAKE

ALTHOUGH the Grand Trunk deal has been made law by Act of Parliament the opinion that the issue is far from disposed of is expressed by *Investment Items*, published by the Royal Securities Corporation, which ventures the prediction "that when the Canadian taxpayer realizes in the years to come just what price he must pay for the luxury of Government operation of the National Railways, the issue will be brought very forcibly and continuously home to him."

In the foregoing will be found an effective reiteration of the view expressed by THE FINANCIAL POST, in regard to this question—that the eventual interests of all the people of the country should be the basis for consideration of the problem. We cannot feel from past experiences in the field of public ownership that Government control and operation of such a great system will serve those interests. Commenting upon the course taken by the Government, *Investment Items* says:

> By its acquisition of the Grand Trunk stock the nation acquires no source of revenue that was not available to the Grand Trunk shareholders, and no less a prospect of future losses than those Grand Trunk shareholders had before them. Canadian taxpayers, on the other hand, have incurred a known liability of between $4,000,000 and $5.000,000 per annum, according to the amount awarded by the arbitrators, *plus* interest on the funded debt, and an unknown liability for future losses in operation—losses which no sensible man expects to be less than those incurred under private ownership, and which by all the tokens of past history will be very considerably greater.

An alternative course which might have been taken is outlined:

> The property could have been allowed to pass to its Bondholders. It could have been handed over to a new and Canadian-organized administration, made financially able to develop the property by a loan of Government money sufficient to put it upon its feet, and secured by a mortgage upon assets and future earnings. *The situation could have been handled in any of half-a-dozen ways in which the amount of the nation's financial liability would have been clearly defined and limited at the outset, and the obvious evils of public management of a great system of railways would have been definitely excluded.*

## EDITORIAL NOTES

IT IS merely a coincidence that "parlor" bolshevists have only been heard of since the bar-rooms were closed.

* * *

RATEPAYERS at Guelph, after being led to turn down the proposal to enter into a deal with the Grand River Railway in order that the city might retain control of its streets, are now being asked to vote that control to the Hydro Commission.

* * *

THE Saskatoon Trades and Labor Council will have a representative to sit on the executive of the Board of trade. This is an important development in the improvement of practical relations between business men and workers; nothing but good can come from a better understanding of each other's problems.

* * *

SIR ADAM BECK is now sorry that he helped in the election of the Union Government, because he regards it as a "silly sort of Government policy" that the Hydro should be charged duty upon its equipment like its competitors. He would shift to citizens of British Columbia and Nova Scotia a share of the financial burdens of his Ontario power development.

* * *

PREMIER DRURY makes a significant qualification in his support of Beck's programme when he says that the Province will go the financial limit. There are many who believe that has already been reached. Mr. Drury's view of the ten-year term for the chairman will also be interesting. The Hamilton Trades and Labor Council, which was largely responsible for the passage of the Hydro Radials by-law in that city, will not go so far as to swallow such a proposal.

* * *

TYPICAL of the results achieved by the Board of Commerce is the manner in which the decree issued by that tribunal fixing the prices of pork products resulted simply in the packers passing the reduction along to the producers, who were thus made the victims of the Board's action. According to the *Grain Growers' Guide*, every time the Board has issued a decree fixing the price of food products the primary producers have been in this manner the ones to suffer.

* * *

ONE reason given for the non-success of the Toronto municipal abattoir, is that only a small number of the butchers use it, the majority buying their meat from the big packers. The real circumstances are that the packers can make a profit and give the retail dealer better service than he can secure for himself, even by the aid of a public service which is costing the ratepayers a lot of money. Efforts to prove that the abattoir is an influence in reducing the cost of meat to the consumer have failed dismally. It is another case of a pleasing theory which cannot stand the hard bumps of practice.

# "ONE GRADE ONLY—THE BEST" ROBT. McLAUGHLIN'S MOTTO

## Obstinacy of a Farmer Who Wanted Too Much for His Land Started Him on Road to Success—Hard Work Took Him There

It was fate—fate and an obstinate farmer—that started Robert McLaughlin on the road that led him to the place he occupies to-day in the industrial life of Canada as the founder and still the head, in spirit and name if no longer in activity, of Canada's greatest motor car manufacturing and distributing organization. Fifty years ago, when Mr. McLaughlin was thirty-three years old, his father gave him a fifty acre farm near Enniskillen, Ontario. But in those days eggs did not bring $1.20 a dozen on the market, and wheat had not soared to $2.25 a bushel. A fifty acre farm was not large enough to be worked with any degree of profit and the McLaughlin's, or rather Mr. McLaughlin, sr., for Robert refused to take any interest in anything pertaining to agricultural matters, decided to enlarge their holdings.

There was a farmer nearby who owned fifty acres adjacent to the McLaughlin farm. Mr. McLaughlin, sr., tried to buy it. He offered $90 for it. The other farmer demanded $100. He was obstinate, and held out for the extra $10. Mr. McLaughlin refused to pay it. That settled Robert McLaughlin's career. The deal was off, so his father allowed him to move into town, where he set up a little blacksmith shop on a corner and began to make waggons and "buggies." He has been making vehicles ever since, but in place of "buggies" he is making automobiles. The little blacksmith shop with a manager and three employees—Mr. McLaughlin and his apprentices—has grown into a vast plant that employs 2,500 people, covers a million square feet of floor space, and has half a thousand dealers throughout the country handling the 40,000 motor cars it turns out every year.

### High-Grade Work Counts

Fate started Robert McLaughlin on the road to success, but it did not carry him there. Something else was needed and Robert McLaughlin supplied that. "Hard work," answered Mr. McLaughlin when I asked him the secret of his rise from blacksmith to manufacturer. "But hard work alone won't do it," he added. "There are several kinds of work. There is poor work and there is high-grade work. When I made my first waggon I pounded every rivet until I knew it was perfect, and I shaped every spoke until I knew it, too, was perfect. My motto was: 'One grade only and that the best,' and I've stuck to it ever since.

"I used to make my waggons and buggies just a little bit better than I thought anybody else could make them I made them good and solid and then I painted them up and added little decorations that looked nice. I even painted landscapes on some of them. I had the knack of handling the brush, and I liked to do that.

"The work was interesting to me, and I believe it means a lot for a man to get into the line of work that he is best fitted for. My father tried to make a farmer of me. I was born and brought up on a farm, but I made a very poor farmer. I got very tired of it, and I used to make cutters in my spare time. I made my first cutter in the old log cabin on the farm in 1863. Even when I settled down on the fifty-acre farm in 1864 I continued to make cutters in one corner of the barn. I got more fun out of that than out of the farming, and when fate and that farmer combined to set me up in the manufacturing business, I think it was the luckiest thing that ever happened to me. It would have been a mistake if I had stuck to the farm."

### He Moves to Oshawa

By 1872 Robert McLaughlin's blacksmith shop had grown so that eight men were employed, and there is still a photograph in existence of the shop and its staff, taken in that year. The business kept on growing as the reputation of the "high-grade work" spread, and in 1878, Mr. McLaughlin borrowed $3,000 and moved to Oshawa, and started a carriage shop in that town. There was a furniture factory in Oshawa that had been a failure from the start. It went to the town for unpaid taxes, and Robert McLaughlin, who in fifty years of business has never missed an opportunity of extending the scope of his work to even the slightest extent, made a deal with the town whereby he traded his own shop for the furniture factory. It was a big factory, and his little organization was swallowed up in one end of it. But not for long Soon they were making buggies and cutters and waggons in the whole factory and there were additions outside.

Then came a blow, that might have disheartened any man. In 1899 the entire plant with its stock of seasoned wooden carriages was swept by fire. Was Robert McLaughlin downhearted? No. Hardly had the flames died down when the town printer was distributing through the town hand-bills bearing the words:

ONE THING THAT WILL NOT BURN IS THE SUPERIORITY OF McLAUGHLIN CARRIAGES

But the fire really brought bigger things with it. Two years later the McLaughlin Carriage Company was incorporated. Formerly it had been a partnership between Robert McLaughlin and his sons.

### Motor Company Formed

The next step in the growth of the organization was the formation in 1907 of the McLaughlin Motor Car Company, Ltd. Robert McLaughlin foresaw the development of the automobile, and although he did not expect that the industry would grow to the size it has reached to-day he thought that motor cars would be a good "sideline" for the carriage industry. He built the first motor cars in Canada. Since then the history of the company has been public property. The McLaughlin Company saw that building motor cars would be almost too much for a self-contained plant so they entered into an agreement with the Buick people of Flint, Michigan, under which the Buick concern supplied a number of the parts, while the McLaughlin people manufactured the cars. That agreement was the beginning of a number of similar arrangements, which have consummated in the recent acquisition by the General Motors Corporation of a large share of the McLaughlin interests and the formation of the General Motors of Canada, Ltd., the management of which is still in the McLaughlin family, and which makes McLaughlin and Chevrolet cars and will shortly be turning out Canadian Oldsmobiles.

"We have never tried to tell anybody that the motor cars we turn out here are 100 per cent. Canadian, as we have always imported a large number of our parts from the United States," Mr. McLaughlin told me, adding that he hoped shortly that the cars would be entirely manufactured in Canada in the McLaughlin plants. When the units at present under construction in Oshawa and Walkerville are completed the capacity of the organization will be over 50,000 complete automobiles every year, a mighty output when compared to the infinitesimal production of the blacksmith shop in Enniskillen where Robert McLaughlin and his two or three employees hammered high-grade work into spokes and wheels.

### Relaxes in Painting

At 83, Robert McLaughlin is still a busy man. He has long since given over the active control of his business to his two sons, George W. and R. S. McLaughlin, the latter of whom is president of the General Motors of Canada, Ltd. But although not active in the routine affairs of the company, he is at his office at eight o'clock every working day, giving advice and sage counsel to all who seek it, and attending the weekly meetings of leading employees who are called together to discuss problems that arise. When he has any time to spare he spends it with his paint brush. In his office are landscapes and portraits that he has painted, including a pas-

Continued on page 11.

## PERSONALS

JOHN GALT, president, and H. B. Shaw, general manager, of the Union Bank of Canada, returned at the commencement of the week after two months' trip to Europe.

G. R. HARRISON, who was a member of the staff of the Eastern Trust Company before going overseas, has recently joined the Nova Scotia Trust Company, taking the position of assistant manager.

ANDREW HAMILTON, who has been connected with the Union Assurance Society, Limited, for the past nineteen years, has been appointed manager for the Sun Life Assurance Company for the Province of Quebec. He starts his new duties on Dec. 1.

J. GORDON STEELE, comptroller general of Manitoba, has resigned to take up a position in New York. Mr. Steele came to Manitoba in 1915 to take charge of the investigation made into the accounts of the Roblin administration and in November of that year was appointed comptroller-general. He is a native of Scotland, but has spent most of his life in the United States, being an expert in municipal and state accounting.

GEORGE M. REYNOLDS, president of the Continental & Commercial National Bank of Chicago, is treasurer for the fund to restore Louvain University in Belgium. The executive committee in charge of the campaign follows: Nicholas Murray Butler, president of Columbia University, chairman; Alexander J. Hemphill, of the Guaranty Trust, New York; Thomas W. Lamont, of J. P. Morgan & Co.; Eugene H. Outerbridge, president, New York State Chamber of Commerce and Herbert Putnam, librarian of Congress.

D. B. HANNA, president of the Canadian National Railway system is liked by every member of the staff of the great organization he heads. They do not hesitate to let him know it. At a concert given by the employees of the C.N.R. Toronto offices this week, Mr. Hanna was presented with an illuminated address as an expression of "united loyalty, devotion and affection." Walter Pratt, jun. general manager made the presentation on behalf of the staff.

FREDERICK W. Sumner, head of the hardware firm of Sumner & Company, Moncton, N.B., has died. Mr. Sumner was 64 years old and a son of the late Wm. H. T. Sumner. He was born in Moncton, and was from his early years associated with his father in the hardware business. He was one of the most public-spirited and aggressive business men in the province, and was interested in many development projects, including lumbering and milling operations.

He was president of the New Brunswick Petroleum Co., president of the Atlantic Underwear Ltd., president of the N. B. Wire Fence Co., president of the Kent Freestone Co. and being on the board of directors of the N. B. Telephone Co., the N. B. Gas and Oil Fields, Ltd., Humphrey's Glass Works, the Moncton Tramways, Electric and Gas Co., and The Times Printing Co. He was mayor of Moncton for six terms, serving in this capacity from 1890 to 1894, and again in 1900. He was a member of the New Brunswick Legislature from 1895 to 1899 and unsuccessfully contested Westmoreland in the Conservative interest against the late Hon. H. R. Emmerson in 1908. For some years he had been representing the province in England as Agent-General, a position which he accepted only on condition that there should be no salary attached.

F. GORDON OSLER, of Osler and Hammond, who has returned after spending several weeks in the Old Country, believes that there is little prospect for the ordinary English investor sending money to Canada until the exchange situation improves. Mr. Osler observed a good deal of selling of Canadian securities now held there in order to take advantage of the exchange situation, which would yield a good profit to the British holder. Sentiment appeared to be such, however, that when this situation is righted the securities will not be sold, but many investors would be sending money here. The financial men of London are extremely busy, and there was much evidence of extravagance and a good deal of speculation.

PAUL F. SISE, was chosen president of the Northern Electric Company this week, succeeding his brother, Edward F. Sise, who has long desired to be relieved of his duties to devote himself to other activities. Paul Sise has been connected with the Northern Electric since it was organized, as vice-president, but gave up his duties to go overseas, where he won his Majority. Edward Sise organized the Wire & Cable Company and was managing director until its amalgamation with the Northern Electric, when he became president of the new company. Another brother, C. F. Sise, is vice-president and general manager of the Bell Telephone Company. They are sons of the late C. F. Sise, who was so closely connected with the development of the Bell Telephone Company in Canada, and served for many years as its president and later as chairman of the board.

M. J. BUTLER, managing director of Armstrong & Whitworth, of Canada, Montreal, has retired from active work, and is now living in Oakville, Ont. Mr. Butler was deputy minister and chief engineer of the Department of Railways and Canals from 1905 to 1910, when he resigned to become second vice-president and general manager of the Dominion Steel Corporation, at the time when Dominion Steel interests obtained control of the majority stock of the Dominion Coal Company, and combined the administration of the two companies under Mr. J. H. Plummer as president. In 1912, Mr. Butler left Nova Scotia to organize a Canadian branch of Armstrong Whitworth & Co., and his term of administration has covered the valuable service rendered by this concern during the war period, as the Longueuil Plant was only opened for work in December, 1914. Mr. Butler was made a C.M.G. for his services in the Department of Railways and Canals, and is also a doctor of laws, which is not an honorary title merely, as Mr. Butler was called to the Illinois Bar in 1897, or nineteen years after he had been in practice as an engineer.

Y. E. BOWERMAN, of Idaho, will on the 1st of January, assume the duties of general secretary of the American Bankers' Association as successor to E. Farnsworth. Mr. Bowerman was born at Coldwater, Mich. He began his banking career in South Dakota where he spent fifteen years before going to St. Anthony, Idaho, some twenty ears ago. He organized the First National Banks of St. Anthony, Ashton, and Driggs, Idaho, in which institutions he later disposed of his interest. He participated actively in the organization of the Idaho State Bankers' Association and his talent for organization work coupled with his own personal interest in the passage of necessary and beneficial banking legislation resulted in his being honored a number of times by the organizations with which he became identified. He has been president of his District Bankers' Association and of the Idaho State Bankers' Association, vice-president of the American Bankers' Association for the State of Idaho, and in 1915 was elected a member of the Executive Council of the American Bankers' Association for a three-year term. He has also served on the State Legislative Council and the Federal Legislative Council. He is at present interested in banks in St. Anthony, Sugar City, Rexburg, Rigby, and Brookland, Idaho, as well as two banks in Salt Lake City. He is also vice-president and director of two banks and a director of the Home Fire Insurance Company at Salt Lake.

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Established 1889

# INVESTORS' INQUIRIES

**Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.**

## FRENCH RENTES

H.E.J., Hamilton.—In view of the low rates for French Exchange what is your opinion of an investment in French Rentes at present time? Would you advise investing in three, four or five per cent. rentes, and how would you proceed to procure them in this country, or can you name any reliable broker in Paris from whom they might be purchased?

Investing in French rentes seems to offer a good opportunity to profit by present abnormal rates of exchange, but with the future of exchange rates so uncertain you must be prepared to put your money away for an indefinite time to reap any material benefit from the transaction. Market quotations for French rentes are governed largely by the rate of interest they pay. For $88 at present rates of exchange you could buy a French Government bond of 1,000 francs, the normal price of which would be $192. This would be one of the 4 per cent. The 5 per cent. would cost you proportionately more and the three per cent. proportionately less. This is only a nominal quotation; the cost of the bond to you would be governed by the prevailing rate of exchange and the market quotation in Paris of French Government bonds.

Any one of the brokers advertising in THE FINANCIAL POST would probably be able to put through the deal for you.

## BATTLEFORD DEBENTURES

O.R., Toronto.—I hold $2,000 in Battleford debentures. As you know this town has not met the last three interest payments. These debentures are issued under the authority of the Provincial Government and are signed by the Minister of Agriculture. Does this amount to a guarantee by the Provincial Government?

There have been two meetings recently of Battleford debenture holders, but they have been able to accomplish little. The town of Battleford, it is understood, offered a scheme similar to the Prince Albert settlement, which would have extended the payments of principal over a long term of years, and reduced interest payments for a few years, but this plan was rejected. An attempt was made to get the province of Saskatchewan to guarantee the town's debentures, but the Cabinet refused to consider the matter seriously.

You will have to wait a while longer to learn what your chances of losing recovery on your investment are, but at present the outlook is anything but hopeful. The signature of the Minister of Agriculture appears on the bonds only in connection with the province's authorization for the issue. It is in no sense a guarantee by the Provincial Government of the bonds, either as to principal or interest.

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It is part of our free service to investors.

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Royal Securities
CORPORATION
LIMITED
MONTREAL
Toronto Halifax
St. John London, Eng.

## PREFERRED AND COMMON

Enquirer, Crysler.—I would be pleased to have a full explanation of the following: Preferred stocks and common stocks as are often sold on market. For instance, I have some preferred stocks in Cement and find that same are valued higher than the common stocks.

Generally speaking a preferred stock carries priority over common stock both as to earnings and security. Most preferred stocks in Canadian companies have a fixed rate of 7 per cent. All the earnings of the company must be devoted to the payment of this 7 per cent. until the obligation is fulfilled before anything can be considered for distribution to the common shareholders. Further, usually, preferred stocks are cumulative, which means that if earnings in any year are not sufficient to pay the dividends the liability accumulates and must be discharged when there are sufficient earnings before a payment on the common stock can be considered.

You will readily understand then why it is that preferred stocks in most cases command a higher price than common stocks. On the other hand if a company is making big profits the dividend on the common stock may run higher than that on the preferred stock, in which event the common stock commands the higher price. In some cases there is an arrangement by which the preferred shareholders share equally with the common shareholders in any dividends above the preferred rate.

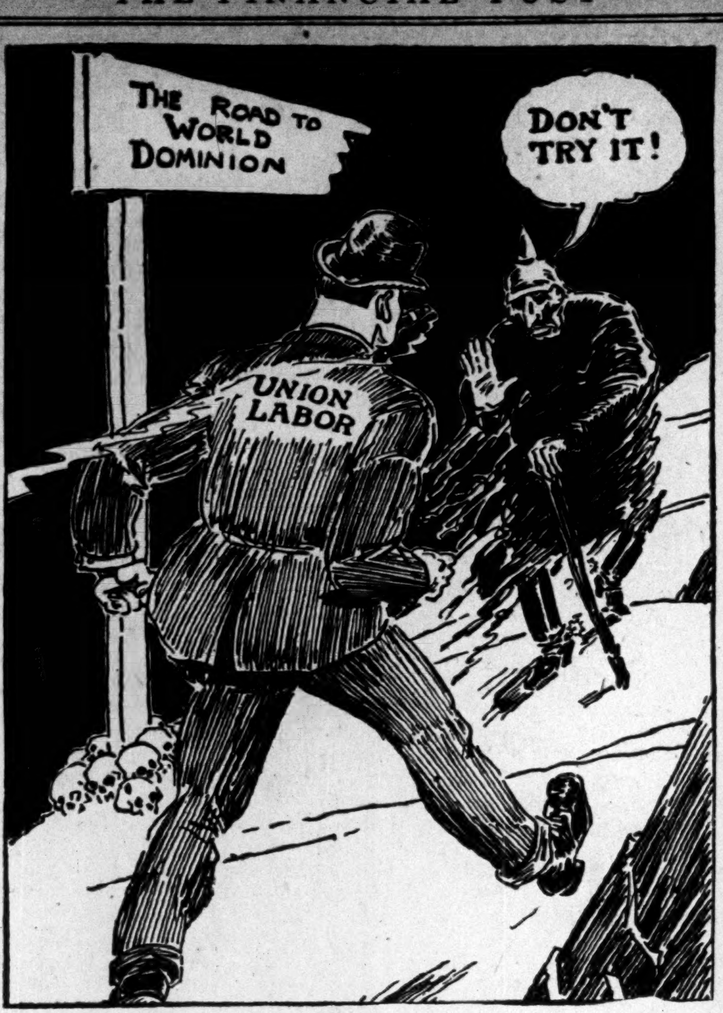
In the majority of cases common does not represent money actually invested in the enterprise. Usually there is a bonus of common stock given with the preferred stock when it is sold, but it must be considered as a factor in the sale, because the bonus of common stock usually makes it possible to sell a preferred stock at a higher price than it would otherwise command.

## ABITIBI PREFERRED

Smooth Rock Falls—Has Abitibi preferred reached a "safe" basis, especially in view of the increased prices for newsprint? Also the interest it pays and the par of the stock?

With the Abitibi Company in its present position, and having regard to the prospects of the company, we consider that the preferred stock has reached a "safe" basis, and should be a desirable investment. This stock is in the rather unique position in that the total amount outstanding is only $1,000,000. For the year ending December 31st, 1918, the net earnings of the company amounted to $1,643,653. From this there was deducted the sum of $469,031 for interest, etc., leaving a balance of $1,174,621. From this again there was deducted $663,419, leaving a net surplus for the year of $511,202. This, after what may be regarded as a liberal depreciation, left over 51 per cent. available for the preferred dividend. Our information is that the earnings for the year 1919 should leave at least 100 per cent. available for the preferred dividends. This stock pays 7 per cent., and is $100 par value. A short time ago, the company wiped out arrears of 19¼ per cent. on the preferred, which leaves it clear to date and started at the same time paying 6 per cent. dividend on the common stock, which amounts to $5,000,000. The surplus of the company, as at the end of 1918, amounted to $1,073,249, in itself equal to the total preferred stock. The total funded indebtedness and capital stock of the company amounts to about $12,000,000, and it is figured, among expert mill men, that it would cost $20,000,000 to duplicate the Abitibi property to-day; so that you will see that there is a very handsome reserve of value for the preferred shareholders.

The future prospects for profits are bright. We understand that it is likely the new rate will be $75 a ton, an increase of $6 a ton over the present price, for the Canadian publishers, and that nearly $90 a ton will be the price that the United States publishers will have to pay for Canadian newsprint. At the present time, about 85 per cent. of Canadian newsprint manufactured is exported, so that the main advantage of the $90 price which is expected, will remain with the Canadian mills. The company is planning to increase its output of newsprint from about 225 to 310 tons daily next year, and an additional 85 tons in 1921, which will give an output of nearly 400 tons a day. We believe that the preferred stock, which is selling to-day around 94, will show some appreciation within the next year or so, as the value of the security becomes more recognized.


THE ROAD TO WORLD DOMINION
DON'T TRY IT!
UNION LABOR

—Gale, in Los Angeles "Times."

FROM ONE WHO KNOWS

## WESTERN REAL ESTATE

Enquirer, Owen Sound.—Over 7 years ago I bought lots 25 and 26, block 95, Edmonton, for $850 a lot. Would you advise me to stop paying taxes? Also in 1907 I bought 160 acres, N.W. quarter section 15-35-23 W., near Guernsey, at $12 an acre. Would you advise me to sell it? Also in Prince Albert I bought lots 3 and 4, block 38, and paid $950 each lot in 1912.

In reply to yours of November 20, would advise that in our opinion the best thing you could do with the Edmonton and Prince Albert lots would be to wait for a while longer to see what the developments may be. In fact you would have great difficulty in finding anything like a satisfactory market at present, although the situation is somewhat brighter regarding Western real estate than since the outbreak of the war. About the only chance for investors to realize on their holdings is to wait for the resumption of immigration on a scale which will boom building and raise the value of unimproved property. The war now being over there are many indications that as soon as conditions return to anything like normal there will be a big movement to this country from Europe. If this is the case it should materially benefit the Western real estate situation.

As regards the quarter section referred to the situation should be different. There has been a big advance in farm land values in Western Canada as the result of the prevailing high prices for farm products. If your quarter is in a good district and can readily be made productive there should be a market for it. Would advise you to communicate again with real estate agents at Regina, Saskatoon and Humboldt.

## MIND YOUR BUSINESS

*Wall Street Journal*

"Leslie's Weekly" quotes Elihu Root thus:—

"The true basis of peaceful, prosperous, progressive development of civilization is friendship, which rests on the doctrine that each man should mind his own business. That is the true conception of liberty for others and for ourselves as well. Insisting that others shall do what you think is best for them leads to insufferable condescension. The great lesson of the war is that prosperity, wealth and national advantage are not to be gained by conquest or robbery."

# "ONE GRADE ONLY—THE BEST" ROBERT McLAUGHLIN'S MOTTO

Continued from page 10.

tel of the late Lt.-Col. Sam Sharpe, M.P., and a portrait group of Mr. McLaughlin and his three sons.

In fifty years of employing labor, Mr. McLaughlin has had but one strike. Twenty years ago when he was in Western Canada on a business trip, an agitator from across the border came to Oshawa to stir up trouble in the plant. Some of the employees listened to his unwise counsel and a strike was threatened, although the strike leaders promised to wait until Mr. McLaughlin should return from Winnipeg before calling out the men. Mr. McLaughlin hastened East, but the strike leaders broke their promise and called out the men. At first the men had the sympathy of the townspeople until Mr. McLaughlin opened up the company's books and showed that the men on strike had been drawing the highest wages in the town. Sufficient loyal employees remained at work to keep the plant going, and not a day was lost by the strike. It was not long before the entire organization was running smoothly once more. The strike failed because it was ill-advised and absolutely unnecessary.

### Advances His Own Men

"We never go outside this organization to pick our big men," said Mr. McLaughlin. "We give every man a chance to advance himself as high as he wants to go, and many of the managers of our divisions and branches started with us twenty or thirty years ago as joiners, trimmers, etc.

"The employees are able to buy stock in the company if they want to on very easy terms and we have a systematic investment plan which enables them not only to save money, but to double their money while they save.* The result is seen in the fact that 60 per cent. of our employees own their own homes."

This is the man who started a business that, with additions now being built, will cover thirty acres of ground, pays out $3,000,000 a year to its employees, and turns out more than one hundred motor cars every day. Some of his secrets of success, if indeed they could be called secrets, have already been given. Another of his favorite bits of advice is: "Put character into whatever you do and never try to turn a short corner or do a crooked trick on anyone."—F. S. Chalmers.

*(This scheme of the General Motors Company is fully described elsewhere in this issue.)

# "BLANKET" ORDER FOR PROFITS IS UNBUSINESS-LIKE

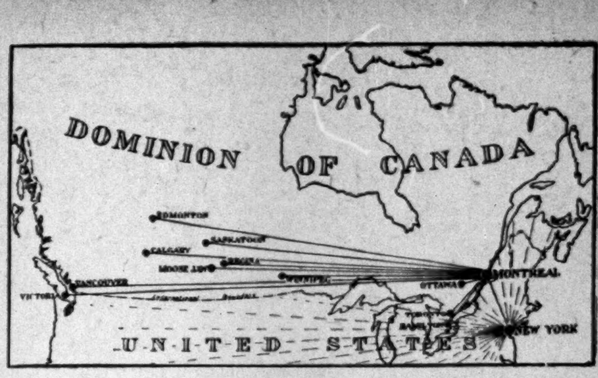
Continued from page 3.

expenses of the store in selling those goods. The "overhead," as it is termed, taxes, rent, etc., he placed at 9.95 per cent., based on the volume of sales, not on cost price. In addition to this overhead were salaries, 3.20 per cent.; buying expenses, 1.55 per cent.; advertising and gratuities, 3.02 per cent.; the marking and tabulating the stock and keeping records, what is often called "merchandising," .50 or ½ per cent.; loss from bad debts .47, or less than ½ per cent.; and loss on the "alteration" department .02 per cent. Other expenses were insurance, carrying charges, etc., 1.60 per cent., or a total percentage of cost on the selling price of 20.3 per cent.

### Mark-Downs—News For the Board

Then comes the largest single item of all, one which again is neglected by the public in considering a merchant's profits. This is what is called "mark-downs." He mentioned that fall suits commence to arrive about the 10th of August, but the sale does not really begin until about the 10th of September. By the first of November prices must be reduced to effect sales, as the wearing season in Canada in the fall is very short. Other factors, such as unsuitable weather, financial disturbance, health conditions, as obtained during the influenza outbreak last year, brings a smaller percentage of garments sold during a period of heavy selling with the natural result that a larger per cent. of garments must be sold at a discount. Even in a normal season a certain percentage of all garments must be sold at a discount, and this, added to the depreciation when the inventory is being made up, represented 14.15 per cent. on the selling price of the goods, making the total cost of doing $185,000 worth of business 34.47 per cent., with the gross profit on the sales 3.03 per cent. only.

So much for an arbitrary maximum of 33 1-3 per cent. imposed on the retailers.



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¶ They give us excellent facilities for quoting and executing orders in all markets.

¶ We will gladly give investors the names of our correspondents in the cities shown above.

¶ Write for the "Greenshield's Monthly Review" which will keep you posted on current financial and industrial conditions.

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THE ROYAL BANK OF CANADA

Statement to the
Dominion Government (Condensed)
Oct. 31, 1919

HEAD OFFICE
MONTREAL

| | |
|---|---|
| **LIABILITIES.** | |
| Capital Paid Up | $ 16,875,850.00 |
| Reserve Fund | 16,887,925.00 |
| Undivided Profits | 535,757.19 |
| Notes in Circulation | 39,414,524.74 |
| Deposits | 411,656,427.00 |
| Due to other Banks | 7,321,070.49 |
| Bills Payable (Acceptances by London Branch) | 647,413.73 |
| Acceptances under Letters of Credit | 12,514,113.20 |
| | $505,853,081.96 |
| **ASSETS.** | |
| Cash on Hand and in Banks | 86,746,633.51 |
| Deposit in the Central Gold Reserves | [illegible] |
| Government and Municipal Securities | 61,210,330.15 |
| Railway and other Bonds, Debentures and Stocks | 19,000,518.94 |
| Call Loans in Canada | 16,438,904.83 |
| Call Loans elsewhere than in Canada | 37,719,306.10 |
| | 254,715,684.13 |
| Loans and Discounts | [illegible] |
| Liabilities of Customers under Letters of Credit as per contra | 12,514,112.90 |
| Bank Premises | 7,287,368.33 |
| Real Estate other than Bank Premises | 1,449,494.62 |
| Mortgages on Real Estate sold by the Bank | [illegible] |
| Deposit with Dominion Government for Security of Note Circulation | 700,000.00 |
| | [illegible] |

620 BRANCHES IN CANADA, NEWFOUNDLAND, WEST INDIES, CENTRAL AND SOUTH AMERICA, ALSO LONDON, NEW YORK AND BARCELONA.
PARIS AUXILIARY—THE ROYAL BANK OF CANADA (FRANCE)

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The primary responsibilities of a conservative investment house to the community which it serves are:—

(1) To act as an intermediary between those in need of funds for legitimate purposes—Governments, cities, industrial concerns, etc—and those having money to invest.

(2) To make available to all investors, reliable information regarding investing and investments derived through years of experience in the business.

(3) To offer to the public only such securities as it has been satisfied to purchase with its own funds after the most careful scrutiny.

(4) To find a market for holdings of which its clients wish to dispose.

(5) To follow closely subsequent developments, and to initiate defensive or constructive measures affecting investments in general.

DOMINION SECURITIES CORPORATION LIMITED
HEAD OFFICE TORONTO 26 KING ST. E.
MONTREAL ESTABLISHED 1901 LONDON, ENG.

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# NEWS OF THE BOND MARKET

## BIG DIFFERENCE IN TENDERS FOR TORONTO ISSUE

### Indicates the Unsettled Condition of the Bond Market Now

## HALIFAX BORROWS

### Puts Off Its Bond Issue Until Spring—Vancouver to Sell Its Bonds Locally at Satisfactory Figures

The bond market is still in a somewhat unsettled condition following the long period of suspension before and during the Victory Loan campaign. The bond houses have had some difficulty in determining the exact position of the market, and there have been several indications of this during the past week. Tenders were opened in the City of Toronto issue of $2,632,000 and the bids ran all the way from 92.89 to 96.201, at which the bonds were placed. A bid of 99.76 was put in for one block of the bonds. While Toronto is paying 5.90 for its money, Halton County sold a block of $30,000 to Brent, Noxon and Co. at a price to cost them about 5⅞ per cent.

The explanation has been hazarded that the county was able to borrow its money on better terms than the big city, because of its good record. This would almost infer that Halton County is better regarded by the investment houses than Toronto, but the bond houses state that this explanation is erroneous; that Halton County was lucky. It is always hard to determine a bid after a long period of inactivity, and in the unsettled position of the market Halton County happened to get a better bid than Toronto.

### Where Issues Went

The Toronto issue went to Harris, Forbes & Co.; National City Co.; United Financial Corporation, and G. A. Stimson and Co. at 96.201. Other tenderers were: Dominion Securities, Wood, Gundy and Co. and A. E. Ames & Co., 95.08; W. A. Mackenzie and Co., Continental & Commercial Trust and Savings Bank, Illinois Trust and Savings Bank and Merchants' Loan and Trust Co. (the last named three being of Chicago), 94.701; A. Jarvis and Co., 92.89. Hornblower & Weeks and C. W. McNear & Co. bid 99.76 for one by-law issue of $509,000.

Brent, Noxon & Co. got the Halton County issue on a private bid at about 97. Other tenders received were: MacNeill, Graham and Co., 92.23; A. E. Ames and Co., 95.46; Wood, Gundy & Co., 95.28, and R. C. Matthews and Co., 94.75. The money is to be spent on a bridge.

### Bank in Syndicate

The Bank of Nova Scotia was the successful tenderer for the issue of $2,282,000 Province of New Brunswick bonds, but the bank did not put in a separate bid as has been stated. R. A. Daly and Co. and W. A. MacKenzie and Co. were associated with the bank in the bid, which was for 96.11. This is on a basis of 6 to 6.05 per cent. Other bidders were: Harris, Forbes and Co., United Financial Corporation and National City Company, 95.80; A. E. Ames and Co., Dominion Securities Corporation, Wood, Gundy and Co., J. M. Robinson and Sons, and Eastern Securities Company, 95.34.

Windsor refused to accept any of the tenders handed in for its issue of $235,502 of various maturities. The city thought that none of the bids, the best of which would be on the basis of 6.10 per cent., were high enough. Tenders will be called for again. Tenders were as follows for the bonds, which bear 5½ per cent.: W. A. Mackenzie and Co. and George Carruthers & Sons (Windsor), 95.60; National City Company, 94.435; A. E. Ames and Co., C. H. Burgess & Co., and R. C. Matthews and Co., 94.43; Wood, Gundy and Co., 94.04.

### More Municipals Coming

There are many municipal issues in sight for after the first of the year, as a list of money by-laws to be voted on shortly would indicate. Not all the municipalities, however, are jumping into the field. Halifax has borrowed $500,000 from the bank and will hold off its issue until spring. Vancouver is selling $500,000 of an issue of $725,000 sewage bonds to local investors. The bonds bear 5 per cent., and are being offered locally at 91. As the bonds are for forty years Vancouver is getting its money at about 5½ per cent.

Halifax and Vancouver are wise in keeping away from the big investment markets at the present time one bond dealer told THE FINANCIAL POST. He looks for more settled conditions by spring. There are many bond houses, notably those whose men were on rural subscription committees, who have not caught up with their work.'

There will also be a number of industrial issues in the near future.

## HYDRO BOARD SILENT

### Refuse to Give People Information About Their Doings

HAMILTON. — Members of the local Hydro Commission have declined to answer the questionnaires sent them by members of the city council, who are seeking information about Hydro affairs. The aldermen object to the meetings of the Hydro Commission being held behind closed doors and claim that there is entirely too much secrecy and disregard of the public in the operations of the Hydro Board.

That the local Hydro department is overmanned, that excessive salaries are being paid, and that some who receive salaries of $1,000 a year give no service other than to attend a meeting once or twice a month, and are thus enabled to pursue other avenues of occupation, are a few of the reasons being given by some of the aldermen why there should be a general readjustment of local Hydro affairs.

## HALIFAX TAKES HALF MILLION FROM BANK

### Finance Committee Believes Market Will be Better Some Months Hence

By Special Representative.

HALIFAX.—The city of Halifax has decided to borrow $500,000 as a temporary loan from the Royal Bank of Canada, on the basis of 5½ per cent. The purpose of the loan is to retire debentures that come due at the beginning of the year. This action was taken on the recommendation of the finance committee of the city council, which expressed the opinion that the money could not be raised to advantage at the present time, but that better terms could be secured in April or May next. In support of the motion to effect the temporary loan the chairman of the finance committee said that the rate was reasonable and that the city had $400,000 in the bank at four per cent., part of the proceeds of a loan effected some time ago for paving, water and sewerage contracts. Another $150,000 had yet to be raised and the Royal Securities Corporation, who accepted the last loan, had been notified to realize this amount on the balance of the debentures taken from the city last spring.

Alderman Murphy argued that it would be better to make a new loan of half a million now rather than to borrow temporarily from the bank. In view of the large over-subscription for the Victory loan he thought there would be no trouble in making a loan on the excellent security of the city of Halifax. He believed also that sinking funds could be used to advantage. These amounted to $800,000. The council decided to accept the advice of the finance committee and make a temporary loan from the Royal Bank at 5½ per cent., borrowing permanently later on when conditions might be more favorable.

## INVESTIGATE RADIALS

### People Should Be Sure They're Needed And Will Pay

HAMILTON.—Speaking at the Town Planning Convention here, Sir John Willison urged that voters should familiarize themselves with the Hydro schemes and assure themselves that the Hydro-Radials would be revenue producing and necessary before voting for them.

Thomas Adams, town planning expert, offered a cure for the present world social unrest; he suggested extensive developments along the line of housing. House people properly and there would be less dissatisfaction, he thought.

Greater home rule for cities was favored by J. A. Ellis, provincial director of municipal affairs, who stated that municipalities should be allowed to carry on certain work without special legislation.

## BORDER WATER SCHEME

WINDSOR.—The seven border municipalities will vote on January first on the question of establishing a metropolitan water supply system. The border towns will be asked to sign bonds for the following amounts: Windsor, $801,800; Walkerville, $295,400; Ojibway, $253,000; Sandwich, $232,000; Ford, $189,900; Sandwich West, $168,800; Sandwich East, $168,000. The towns will be allowed the amount of valuation of the present water system which are not to be scrapped. Windsor will be allowed $550,000 for its water plant; Walkerville, $230,000; Sandwich, $150,000; Ford, $24,000; Sandwich East, $56,000; Sandwich West, $15,000.

## $400,000 BOND ISSUE FRONTENAC BREWER'S

### This is to Cover Cost of Doubling Capacity of Plant and Completes Issue Authorized

By Resident Representative.

MONTREAL.—The new issues of the week include one of $400,000 first mortgage bonds of Frontenac Breweries, Limited, of Montreal, bearing 6 per cent. and maturing in 32 years. This issue, which is offered at par, carries with it 10 per cent. bonus of common stock of the company. This common stock has been selling recently around 73, after a rise of about 30 points in the last few months. The bonds are dated Dec. 1, 1919, and mature Dec. 1, 1951. This is in reality not a new issue but the balance of an authorized issue of $1,100,000, of which $700,000 is outstanding. The capitalization of the company as it stands at present is as follows:

| | Authorized | Issued |
|---|---|---|
| Bonds (includ. new issue) | $1,100,000 | $1,100,000 |
| Preferred, 7 per cent. | 500,000 | 300,000 |
| Common | 1,50,000 | 900,000 |

The whole situation provides an interesting commentary on the result of the wine and beer referendum that was carried last April through the Province by a sweeping majority. The demand for the products of this brewery and National Breweries was so great that plans were adopted at once to extend the production. Frontenac Breweries are doubling their capacity, and the $400,000 issue is in the main to reimburse the banks for loans they made to cover the cost of the development. With the extra demand through the cutting off of liquors, the company found its sales and profits running very much in advance of all previous records, and the profits for the year 1919 are likely to run almost double those of 1918. For some time the company had difficulty in meeting bond interest, but this time has passed away, and with a continuance of present business, and no change in the beer regulations of the Province, it seems likely that some action will be taken within a year to make some return to the common shareholders. This is the attraction of the present offer of ten per cent. bonus of common stock with the bonds.

The prospectus that has been issued points out that the interest required for the complete bond issue, including the $400,000, would be only $66,000 a year, and last year the profits available for this purpose exceeded $151,000. During the present year, for the first nine months alone, the profits amounted to $207,000. Thus the earnings are sufficient to cover the bond interest more than four times.

The statement of assets and liabilities issued shows a total of assets of $2,576,294, of which nearly $2,000,000 consists of plant. Among the liabilities are bank indebtedness of $213,000, and two elements of strength in reserve funds exceeding $189 000 together. The issue is offered by L. G. Beaubien & Co., and Versailles, Vidricaire & Boulais.

## MAHON BOND CORPORATION

### Replacing W. F. Mahon & Co. For Province of New Brunswick

The Mahon Bond Corporation, Limited, has been formed for the Province of New Brunswick, to carry on a business similar to that of W. F. Mahon & Co., of Halifax, N.S. The change of name will apply to the province of New Brunswick only, where the Bond Corporation will be under the personal supervision of W. F. Mahon, formerly managing director, as well as founder and controlling shareholder of Eastern Securities Company, Limited. The firm of W. F. Mahon & Co., will continue as in the past for Nova Scotia, under the personal supervision of Arthur S. Mahon as resident manager. The manager of the Bond Corporation will be A. G. Shatford, formerly of the Bank of Commerce at St. John and Halifax.

## WINNIPEG TAX DISPUTE

### Settlement Being Reached on an Amicable Basis

WINNIPEG. — The city's long-standing dispute with the Winnipeg Electric Street Railway regarding $400,000 arrears in taxes is to be settled amicably. A committee from the City Hall will meet A. W. McLimont, General Manager, and other company officials, to go over the items in dispute. Taxes as far back as 1916 are involved.

## NEW FRENCH LOAN

PARIS.—New French loan, yielding about 5½ per cent., exempt from present and future taxation, with additional attraction of premium bonds and designed for productive purposes, is assured. Large subscriptions are already pouring in and foreign participation is expected to be consider-

R. C. Matthews & Co.
Canadian Government Bonds
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New Issue
**Montreal Public Service Corporation**
6½%
Collateral Trust Gold Bonds
Dated July, 1919—Due July, 1924
Denomination: $1000, $500 and $100

*This company is one of four Public Utility companies headed by the Montreal Tramways & Power Co., Ltd., and comprising the Montreal Tramways Co., the Canadian Light & Power Co. and the Montreal Public Service Corporation,—which are doing business under the same executive.*

PRICE: par (100) and interest

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**Would You Like Some More Victory Bonds?**

The public subscription has closed, but we advocate investors increasing their holdings of Canada's Premier Security. It is not necessary to repeat what has already been said about these bonds. If you contemplate a further purchase we shall be glad to arrange details of delivery and payment for you.

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*Bond Dealers*
160 St. James St., Montreal

**PORT COLBORNE PUBLIC SCHOOL AND HYDRO-ELECTRIC DEBENTURES**

TENDERS will be received by the undersigned up to December 15th, 1919, Debentures of the Town of Port Colborne for the amount of $80,000, described as follows:—

Public School Debentures, $40,000, bearing five and a half per cent. interest, twenty-year, equal instalments, interest due Nov. 15th each year.

Hydro-Electric Debentures, $40,000, bearing five and a half per cent. interest, twenty-year, equal instalments, interest due Nov. 15th each year.

DAVE ALAIR,
Treasurer, Port Colborne.

# FIELD OF MUNICIPAL FINANCE

## EXPERT SUGGESTS COST-ACCOUNTING PLAN FOR CITIES

### Would Give Public Intelligent Idea of Where Money Goes

### STANDARDIZATION

### Accounting Systems Must be Uniform in All Cities to Enable Comparisons to be Made Properly

More and more people interested in municipal affairs and better civic government are beginning to realize that town-planning involves more than the proper layout of streets and areas, the improvement of building design and zoning, important as these problems are. The latest phase of municipal activities to be recognized by town planning experts is municipal accounting. It is recognized that slip-shod methods of budgeting and spending have added greatly to expenses of civic operation, all of which has tended to reduce the sum that might have been put aside for community improvement.

Speaking on this subject at the Town Planning Conference in Hamilton on Thursday, Dr. Horace Brittain, director of the Toronto Bureau of Municipal Research, outlined the need for a standardized system of city accounting which would make it possible not only to compare total and unit costs from year in the same city, but to compare costs in cities of like rank. Under such a system as Dr. Brittain described, the efficiency and honesty of a city's administration could be judged from its annual report; obviously impossible at the present time, with each municipal government controlling its expenditures in the way it seems fit, and sending out tons of too often valueless reports. Dr. Brittain said:

"A description of the operations and results of any city department, if properly written, would be replete with human interest and might be made an effective weapon for securing citizen co-operation. The science of public reporting is in its infancy. No one knows how many tons of reports, full of obsolescent or valueless information at the time of their issue, and never opened, now repose in musty vaults, clutter up shelves which might be better occupied or have been turned over to the junk man as waste paper. Too many reports benefit the printers alone. In such cases it would be better to pay the printer a bonus and save the officials' time wasted in getting out a report. It might pay a municipality to employ an official report writer to cooperate with departmental heads in getting out accurate, timely, readable official reports."

**Probe Municipal Accounting**

He outlined his scheme for proper municipal accounting as follows:

"The proper control of current expenditures has, therefore, a very close relation to town planning. The fundamental method of such control is comparison—comparison of the total and unit costs of the various services from year to year within the same city, and comparison of costs of similar services for other cities of a like rank. Such comparisons necessarily demand local accounts which produce such costs automatically and the standardization of municipal accounting throughout the country.

"It is impossible to compare results within the same municipality from year to year unless the accounts differentiate between payments and receipts on one hand and revenues and expenditures on the other; unless clear distinction is made between current and capital expenditures defrayed out of current funds, and unless the accounts show the costs of objects of expenditure.

"Accounts must show the costs of the various kinds of work done by each department under general and specific headings with the separation of ordinary services from those of public utilities.

"Having established satisfactory accounts within a municipality, it is still impossible to secure the results of comparison with other communities unless municipal accounting is standardized by keeping similar accounts in cities of like rank and securing the acceptance of definite and universal meanings for accounting terms used. The standardization of accounting alone will not serve. There must be readily available also a description of the general methods of financing and departmental operations in our various town and cities lest we compare costs which are not comparable."

### BOND SALES

$11,750 Asbestos at 90 to 78; $7,500 Can. Cement at 100 to 99¾; $3,000 Can. Car at 91 to 90½; $4,500 Can. Locomotive at 94 to 93½; $1,000 Cons. Ruber at 96; $42,700 Cedar Rapids at 87¼ to 86¾; $2,000 Dom. Cotton at 99; $3,000 Dom. Textile at 99; $4,000 Dom. Iron at 87¼; $1,500 Elect. Development at 91; $13,000 Montreal at 101¼ to 100¾; $10,400 Montreal Trams., debs., at 68; $18,200 Price Bros. at 85 to 84; $100 N.S. Steel at 83; $500 Penmans at 89; $16,700 Rio at 75¼ to 74½; $4.400 Quebec Rly. at 64 to 63; $1,000 Riordon at 97; $25,000 San. River at 95; $9,000 Steel of Can. at 96; $7,600 Wayagamack at 88 to 86; $269,150 Victory Loan (1922) at 100¼ to 100⅛; $645.250 (1923) at 100¼ to 100⅛; $77,750 (1927) at 102¼ to 102; $1,454,700 (1933) at 103⅝ to 103⅜; $131,200 (1937) at 104⅝ to 104⅜; $130,200 War Loan (1925) at 97¾; $171,200 (1931) at 98¾ to 98⅝; $334,300 (1937) at 99 to 99⅜.

## Money By-laws

### TENDERS WANTED

**Dec.1, Bridgeburg.**—$50,000, 6 per cent., for additions and improvements to public school.—R. A. Land, Town Clerk, Bridgeburg.

**Dec. 15, Port Colborne.**—$40,000, 5½ per cent., 20-year, equal instalments, public school debentures; $40,000, 5½ per cent., 20-year equal instalments, hydro-electric debentures.—Dave Alair, Treasurer, Port Colborne. (See announcement on page 13.)

**Dec. 1, Verdun, Que.**—$225,000, 5½ per cent., 20-year bonds.

**Dec. 10, Alberta.**—$59,600, 6½ per cent., various school debentures.—J. T. Ross, Deputy Minister, Edmonton.

### BY-LAWS TO BE VOTED ON

**Dec. 11, St. Boniface.**—$225,000 for additions to schools.

**January, Galt.**—$30,000, for central heating plant at the hospital grounds.

**December, Calgary.**—$220,000, for construction of bridge; $350,000 for sewage disposal site; $272,316 for extension system; $1,704 for sewers.

**January, Point Grey.**—$90,000 for purpose of purchasing property for a park and bathing beach.

**Dec. 1, St. Thomas.**—$25,000, for the proposed purchase of the defunct London and Lake Erie Traction Company's barns, sub-station and other property in the city.

**Dec. 1, Woodstock.**—$50,000, for a loan to the Brunswick Canadian Products Co. for the establishment of a plant at that point; $20,000 for a loan to the Warren Pipe Organ Co. for enlarging and improving their plant.

**Jan. 1, London, Ont.**—$300,000, for extensions to Fair grounds; $218,000 for the London and Port Stanley Railway; $250,000 for Board of Education for new schools, etc.; $200,000 for commencement of new city hall; $100,000 for new reservoir; $100,000 for new bridges; $85,000 for new stable and shelter; $20,000 for playgrounds.

**Dec. 6, Windsor.**—$2,100,000 for the purchase of the street railway.

**Jan. 1, Hamilton.**—$607,173, for Hydro-radial purposes; $150,000 for development of Scott Park, etc.; $50,000 for Mountain face highways; $72,000 for purchase of fire-fighting apparatus; $850,000 for construction of central storm overflow sewer.

**Dec. 8, Saskatoon.**—$5,000 for grading road; $7,000 for additional pumping equipment; $60,000 for a turbo-generator: $270,000 for erection and equipment of an extension to city hospital; $350,000 for additional school accomodation: $35,000 for completing the plumbing, etc., of Mayfair School.

**January, Waterdown, Ont.**—$20,000, for the erection of a memorial hall.

**Dec. 16, Portage la Prairie, Man.**—$100,000 for city hall and community building; $12,000, waterworks; $16,000, electric light.

**January, Brantford.**—$50,000, for the erection of a new grand stand; $87,000 for construction of an isolation hospital; $78,000 for additions to General Hospital; $20,000 for addition to Brant Sanatorium.

**Dec. 16, R.M. of St. Andrews.**—$187,642 for construction of roads and improvements.

**January, Penticton, B.C.**—$35,000 for new reservoir and extension of waterworks system.

**Jan. 1, Toronto.**—$5,000,000, to be supplied the proposed Transportation Commission for extensions and equipment of the system.

**January, Niagara Falls, Ont.**—$50,000 for addition to hospital; $14,000 for erection of store and office for Hydro-Electric Commission.

**January, Beaverton, Ont.**—$85,000 for a water system.

**Jan. 1, Kenora, Ont.**—$25,000 for public improvement purposes.

### BY-LAWS PASSED OR DEFEATED

**Galt**—$20.000 to the Perfect Machinery Co. Carried by the electors by a vote of 582 to 109, on Nov. 20.

**Dundas.**—$3,500 for purpose of building a bridge. Passed by the Council on Nov. 18; registered Nov. 19.

**Whitby**—$60,000 for new public school. Carried by a vote of 201 to 151 on Nov. 17.

### DEBENTURE NOTES

**Hamilton**—At a recent meeting the City Council authorized the Board of Education to sell debentures to raise $15,000 to purchase a school on the Mountain. The Council also authorized the placing of $6,530,000 debentures with the Hydro-Electric Commission as Hamilton's guarantee in connection with the first radial by-law covering the Toronto to Niagara line.

**Edmonton** — A debenture issue of $3,500,000 on consolidated tax arrears is to be placed on the market at once.

**Edmunston, N.B.**—The town will raise $100,000 for a new school building next year.

**Kingston.**—Debentures to the amount of $142,000 will be raised for a new school in Cataraqui Ward.

**Kenora, Ont.**—An issue of $10,000 electric light debentures will shortly be placed on the market.

### SASKATCHEWAN

The following is a list of authorizations granted by the Local Government Board from November 8 to 15:

**Rural Telephone Companies**—Theodore-Whitesand, $4,100; Meota, $17,800; Merrington, $2,600; Bangor, $1,800; Viscount, $11.600; Luseland, $6,000; Fairdale, $1,800.

**Schools**—Halfway, $3,700; Edam R.C., $4,000.

**Towns.** — Govan, $12,000; Wapella, $9,091.25.

**Cities.**—Saskatoon. $270.000.

The following is a list of debentures reported sold from November 8 to 15:

**Rural Telephone Companies.**—Blackley, $2.400, A. L. Koyle & Co., Saskatoon; Wartime, $7,800, W. L. McKinnon & Co., Regina; Starrs Point, $2,500, T. R. Billett & Co., Toronto; Juniata, $1,300, Nay & James, Regina; Big Butte, $75, Regina Public School Sinking Fund Trustees; Big Butte, $125, Town of Biggar Sinking Fund Trustees; Tribune N.W., $13,900, Harris, Read & Co., Regina; Glen Mary, $20.000; H. J. Birkett & Co., Toronto.

**School Districts.** — Lewiswyn, $5,000, Hardscrabble, $2,400, and Brancepeth, $4,000, Waterman-Waterbury Mfg. Co., Regina; Kimball, $1,100, Peter Abrams.

**Rural Municipalities**—Progress, $3,000, Regina Sinking Fund Trustees.

**Cities.**—Moose Jaw, $40,000.

The following is a list of authorizations granted by the Local Government Board from August 3 to September 1:

**School Districts.** — Perdue, $19,000; Atoimah, $3,800; Federal, $3,000; Alfred-Knowles, $3,500; Aurora, $2,000; Big Arm, $3,500; Snow Bird, $3,000; Maidstone, $14,000; Edenwold, $8,500; Anemone, $5,000; Landscape, $4,000; New Hastings, $3,800; Concord, $4,150; Loch Ayr, $1,000; Clow, $3,150; Riverhurst, $6,000; Simpson Village, $20,000; Preeceville, $3,500; New Steinbach, $2,200; Moose Park, $3,000; Spy Ridge, $3,500; Thorncliffe, $3,000; Liverpool, $3,300; Wavy Creek, $3,500; Cherry Grove, $400; Dundalk, $3,500; Robin, $2,300; Whitby, $1,200; Hardscrabble, $2,400; Lac Cheval, $2,400; Cantire, $5,000.

**Rural Telephone Companies.**—North East Quill Lake, $8,800; Shaunavon Pioneer, $11,500; Pleasant Valley, $2,800; Belle Plaine Western, $1,100; Broadview, $3,000; Enterprise, $11,200; Arran, $47,900; Maloneck Farmers, $19,600; Richard, $1,300; Ebenezer, $24,000; Whitewood, wood, $21,000; Merrill, $6,700; Lashburn, $39,600; St. Brieux, $19,350; Crooked Lake, $8,000; East End, $21,900; Deer Lodge, $16,125; Glenavon South, $2,400; Prairie Rose, $3,950; Wauchope, $1,400; Rainton, $2,250; Strathcona-Devil's Lake, $11,800; North Prairie, $6,550; Guernsey, $700; Parry, $13,300; Kalamazoo, $1,800; Pinkham, $19,000; Mitchelton, $24,500; Meadowvale, $9,000; Bickleigh, $600; North, $2,800; Grayson-Southern, $13,000; Kilstern, $5,000; Ridgway, $3,700; Verwood, $10,400; Edge Hill, $700; Sunderland, $500; Esterhazy, $1,200; Grayson-Southern, $12,500; Bruce, $400; Ernfold, $900; North Ernfold, $7,300; Atwater, $2,350; Englefeld, $1,600; Fillmore, $5,600; Adams, $3,200; Elbow Lake, $39,000; Victory, $3,700; Silverwood, $3,200; Plunkett, $11,800; Wartime, $3,390; Mayberry-Valley, $12,400; Lac-Pelletier South, $15,300; Colfax, $2,650; Winter, $17,050; Spy Hill, $1,500; Bench, $2,600; Bounty, $5,100.

**Villages.**—Flaxcombe, $1,000; Eyebrow, $2,000; Scotsguard, $3,000; Cadillac, $3,000; Admiral, $1,500; Cut Knife, $2,500.

**Rural Municipalities.** — Gravelbourg, $5,000.

The following is a list of debentures reported sold from August 2 to September 1:

**Rural Telephone Companies.**—Atwater, $5,700, and Fairy Hill, $4,100; W. L. McKinnon & Co., Regina; Stockholm, $15,900, Duck Lake, $2,100, Black Lake, $550, and Leitchville, $19,200, Harris, Read & Co., Regina; Hewson, $25,000, W. L. McKinnon & Co., Regina; Fort Pelly, $6,000, Harris, Read & Co., Regina; Ituna, $1,000, W. L. McKinnon & Co., Regina; Logberg, $7,700, Harris, Read & Co., Regina; Spalding, $33,800, and Leask, $24,000, W. L. McKinnon & Co., Regina; Sovereign, $6,015, A. Olson, Regina; Brownlee Faulkton, $3,500, Harris, Read & Co., Regina; Lilyholme, $11,200, Harris, Read & Co., Regina; Willmott, $16,000, W. L. McKinnon & Co., Regina; Dodsland, $9,800, H. J. Birkett & Co., Toronto; Gerald, $6,600, W. L. McKinnon & Co., Regina; Ifield, $5,400, Eddy, $6,700, Mossbank, $3,800, Broadview, $3,000, and Arran, $47,900, Harris, Read & Co., Regina; Warrior, $22,600, Red Lake, $17,000, and Hughton, $6,600, W. L. McKinnon & Co., Regina; Birch Hills, $4,450, Harris, Read & Co., Regina; St. Brieux, $19,350, W. L. McKinnon & Co., Regina; Whitewood, $21,000, Pirt & Pirt, Regina; Lynn Grove, $15,700, W. L. McKinnon & Co., Regina; Tetlock, $7,000, Goldman & Co., Regina; Gottinger, $1,800, W. L. McKinnon & Co., Regina; Baber, $5,400, H. J. Birkett & Co., Toronto; Woodside, $1,300, Bond & Debenture Corporation, Winnipeg; Enterprise, $11,200, Harris, Read & Co., Regina; Shaunavon-Pioneer, $11,000, Nay & James, Regina; N.E. Quill Lake, $7,800, W. L. McKinnon & Co., Regina; Biggar Northern, $32,200, Lashburn, $39,600, North Admiral, $22,000, Willsmer, $8,600, Pleasant Valley, $2,800, Rock Springs, $6,500, Parry, $13,300, Crooked Lake, $8,000; Kildrum, $15,600, Harris, Read & Co., Regina; Great Bend, $11,600, A. L. Koyl & Co., Saskatoon; Trossacks, $15,800, Harris, Read & Co., Regina; Victoria Park, $6,400, Sterling Bank; Guernsey, $700, and Wroxton Kessick, $27,950, Harris, Read & Co., Regina; Kilstern, $5,000, Muenster, $7,300, Belleview Domremy, $900, Maloneck Farmers, $19,600, and Deer Lodge, $16,125, Harris, Read & Co., Regina; North, $2,800, W. L. McKinnon & Co., Regina; Mitchellton, $24,500, W. L. McKinnon & Co., Regina; Veregin, $19,000, Harris, Read & Co., Regina; Rainton, $2,250, W. L. McKinnon & Co., Regina; Homestead, $17,000, Harris, Read & Co., Regina; Marcelin, $17,900, Wood, Gundy & Co., Saskatoon.

**Schools.**—Central Park, $3,600, Waterman-Waterbury Mfg. Co., Regina; North End, $600, Allan, Gordon & Gordon, Regina; Sunny Plain, $11,000, Harris, Read Co., Regina; Garville, $3,500, Waterman-Waterbury Mfg. Co., Regina; Heron, $600, Canada Landed & National Invest., Winnipeg; Little Boggy, $900, Wood, Gundy & Co., Saskatoon; Rugby, $900, C. M. Gripton, St. Catharines; Linden Valley, $1,200, Harris, Read & Co., Regina; Rozilee, $630, Wood, Gundy & Co., Saskatoon; Ashford, $3,000, Waterman-Waterbury Mfg. Co., Regina; Turtleford, $1,500, C. M. Gripton, St. Catharines; Big Arm, $3,500, Waterman-Waterbury Mfg. Co., Regina; Katepwe, $5,700, Great West Life Assur. Co., Winnipeg; Cambrai, $2,500, Wood, Gundy & Co., Saskatoon; Alexandria, $1,800, Great West Life Assur. Co., Winnipeg; Buffalo Hill, $300, J. H. Kern, Moose Jaw; Silver Craig, $26,000, Harris, Read & Co., Regina; Parkside, $10,000, Great West Life Assur. Co., Winnipeg; Glen Curren, $500, Allan, Gordon & Gordon, Regina; Rosebriar, $2,500, Great West Life Assur. Co., Winnipeg; Shannon Lake, $2,500, locally; Dunleath, $1,500, Great West Life Assur. Co., Winnipeg; Southey, $12,500, Goldman & Co., Regina; Glen Hill, $13,000, Western Trust Co., Regina.

**Villages**—Dinsmore, $1,000, W. L. McKinnon & Co., Regina.

**Rural Municipalities.** — Willowdale, $5,500, Harris, Read & Co., Regina.

The following is a list of authorizations granted by the Local Government Board from November 1 to November 7:

**School Districts.**—xSpion Kopp, $1,400; Vimy Ridge, $1,200; xMount Murray, $400; xGreenmount, $600; Allenberger, $600; xFroude, $1,150; Mundie, $3,500; Clashmoor, $3,700; Uxbridge, $3,500.

**Rural Telephone Companies.**—Cypress, $500; South Driver, $250; Smiley S.E., $230; Dalrymple, $5,200; Lanigan, N.W., $2,700.

**Cities.**—Weyburn, $12,000.

xTo be included in next sale held by the board.

**Montreal Public Service Corporation**
Collateral Trust Gold Bonds
6½%
Due July 2nd, 1924

This Corporation furnishes electric power to the Montreal Tramways Co. under a most valuable contract extending until 1965. It is one of the four Public Utilities headed by the Montreal Tramways & Power Co., Ltd.

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**CITY OF EDMONTON**
Debentures called for Payment

The Holders of the undermentioned debentures are hereby notified that the City proposes to exercise its option on the next Interest Due Date, of taking up all outstanding debentures of the following series:

| Issued Under By-Laws. | | Series | Maturity | Next Interest Due Date |
|---|---|---|---|---|
| 683 | | A | July 1, 1920 | Jan. 1, 1920 |
| 684 | | B | July 1, 1920 | Jan. 1, 1920 |
| 700 and 3 | 1918 | C | July 3, 1922 | Jan. 3, 1920 |
| 27 | 1918 | F | July 15, 1923 | Jan. 15, 1920 |
| 2 | 1919 | G | Feb. 15, 1924 | Feb. 15, 1920 |

And take notice further that the above Bonds will bear no Interest after their next Interest Due Dates respectively. F. BARNHOUSE, City Treasurer.

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COMPANY OF CANADA
HEAD OFFICE—MONTREAL
T. B. MACAULAY, President

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J. F. HOBKIRK, MANAGER

# INSURANCE AND REAL ESTATE

## FIRE PREVENTION NEEDS SOMETHING MORE STERN NOW

### Educational Work Must be Backed by Enforcement of Law

### GROVE SMITH'S VIEWS

### Building Laws Are Not Rigidly Enforced and Laxity Contributes to Canada's Awful Annual Fire Loss

Canadian people have been told for several years past that the annual per capita fire loss is just about the largest of any country in the world; educational work having as its end a decrease in the number of fires in the country has gone on unceasingly, yet the results achieved, judging from our annual fire loss record, have been slight, indeed. Between 1912 and 1915 the average annual fire loss in Canada was $21,250,000. In 1916 it was $25,600,000, and in 1917, $24,800,000 and last year it reached $33,263,000. In five years Canada had lost $160,000,000 from fires, and during the same period, England, with population five times as great, suffered a total loss of only $95,000,000 from fires. These figures are for actual fire losses only. Canada adds to its total millions of dollars every year for added fire insurance premiums, and the cost of fire fighting equipment.

**Laws Not Enforced**

Reading such a record, and knowing that the unpleasant facts have been presented to the people of the country continuously for several years, one might well wonder if something more rigid than mere educational work could not be adopted to curtail our enormous fire losses. Most of the provinces have laws relating to fire prevention, but they are in the main acts of permissive legislation, which shift the burden of responsibility to the municipalities. This weakness in Canada's laws relating to fire prevention was emphasized by J. Grove Smith, Dominion Fire Commissioner, in a recent address in Vancouver. Mr. Smith is touring Canada at the present time, delivering addresses on the subject of fire prevention, organizing local societies to carry on the work, and inspecting danger spots in various cities. At the Vancouver meeting, he told of one municipality in Canada that had amended its building laws 27 times in three years to allow influential citizens to erect structures not in accordance with the standards set by the city architect. Mr. Smith's remarks on the subject of legislation were as follows:

"Existing laws in Canada as affecting fire waste are in the main loose, unrelated, lacking in uniformity and centralized authority, and generally neglected in enforcement. Fire marshall laws have been enacted in six of our provinces, but they are of limited scope, and for the most part are effective only in connection with the gathering of statistical data and the investigation of incendiary fires. In Quebec, no provision has yet been made for administration. In Manitoba and Saskatchewan enforcement is in the hands of the superintendent of insurance. In Ontario and British Columbia special fire prevention officials have been appointed. A vigorously and fearlessly administered fire marshal law in each province is fundamental to a properly organized fire prevention movement, but it is absolutely essential to success that it be free from political interference.

"Other than the existing fire marshal acts, the only laws in respect to fires are the statutes prescribing safe exits from buildings and the permissive powers conferred upon local authorities by the various municipal acts. The latter are mainly governmental evasion of responsibility. In 60 per cent. of the municipalities in Canada no competent action has been taken under the powers granted by municipal acts, and even where by-laws have been enacted, their provisions are seldom effectively and uniformly enforced. In one important city the building ordinance has been amended by the council in no less than twenty-seven instances during the past three years to permit influential citizens to erect prohibited types of buildings. Condemnation of a dangerous condition by a public official is, in many places, the signal for his immediate dismissal. Suspended by the threads of political partisanship or local influence the sword of Damocles hangs over the inspector who seeks to fairly apply the provisions of the law. I mention these matters merely to emphasize the fact that dead-letter ordinances engender a disrespect for law and order that cannot but affect the character of our citizenship. We need to recognize the ancient truth that the law is not the antithesis of liberty, but its only guarantee."

**Effect on Foreign Trade**

There is another phase of fire loss that will interest manufacturers who believe that Canada's future welfare depends upon the upbuilding of our external trade. To build up foreign trade, thinks Mr. Smith, we must be prepared to meet the pitiless rivalry of the open markets of the world, by raising to the highest degree of efficiency our entire economic organization. The serious handicap of fire waste, which is five to ten times that of our foreign competitors, must be eliminated.

The property owner pays indirectly for every fire that occurs, from Halifax to Vancouver. As Mr. Smith said:

"Only as fire losses decline over the whole country can insurance rates be appreciably reduced. The property owner, as a rule, considers the question of insurance as affecting only the policies upon his own property, and ignores the fact that every fire in Canada is represented in the premium he pays, and every article necessary to his living likewise bears a due proportion of the fire tax in its cost. The amount of this general charge is indirect and difficult to determine, and, therefore, the consumer pays it unquestioningly. A loaf of bread bought at a retail store is loaded with the insurance cost of the retail store, the bakery, the flour warehouse, the flour mill, the terminal grain elevator, the country warehouse, the farmer's barn, as well as transportation insurance during its journey from the wheat fields to the domestic table. All this the ultimate consumer pays, and none can escape. Every fire loss occurring from Halifax to Vancouver impoverishes every individual in the country, hampers the wheels of industry and destroys in part the security which is back of our national credit. Recognition of this phase of the fire waste problem is fundamental to reform."

## TAYLORS LOSE SUIT FOR DON VALLEY LAND

### Davies Estate Wins Final Decision in Long Drawn Out Case

A long drawn-out legal struggle, and one involving the ownership of real estate valued at $1,500,000, was brought to a close this week when it was stated that the judicial committee of the Privy Council in London had decided in favor of the estate of Robert Davies as against the Taylor estate in the latter's claim for the title to the Don Valley Brick Works and surrounding property in Toronto. A cable to this effect was received by a Toronto barrister.

The case has been pending for many years, and was originally opened in the Supreme Court by Isabella Taylor, wife of William T. Taylor, on behalf of herself and other creditors of Taylor Brothers, against the estate of the late Robert Davies, then living, and E. R. C. Clarkson. Some years prior to this, Taylor Brothers had become financially involved, and gave a mortgage on the 150 acres of property in the Don Valley to Mr. Davies. Subsequently they made an assignment to Mr. Clarkson, and Mr. Davies was appointed one of the inspectors. Shortly after this the property was transferred to Mr. Davies as part payment to the extent of $100,000, and the estate was credited with this amount. Mr. Davies proved the balance of his claim as a general creditor, receiving only a trivial dividend along with other creditors.

These transactions occurred in 1900. In 1914 Isabella Taylor, on behalf of her husband, the only surviving member of the firm of Taylor Brothers, brought suit to set aside the conveyance to Mr Davies on the ground that it was fraudulent as against the claims of the other creditors. In 1916 Justice Lennox decided in her favor, but the appellate division reversed this decision.

It was shown in the appeal court that at the time the property was purchased Mr. Davies had paid all it was worth, and that he had resigned his position as an inspector under the assignment before purchasing it. It was argued, too, that the Taylors had not thought of bringing suit until they discovered the sensational rise in the value of property, brought out when the Canadian Northern Railway in expropriation proceedings was compelled to pay $300,000 for ten acres of the land, three times the amount paid for 150 acres in 1900. It was estimated that when the suit was brought the property was valued at no less than a million and a half dollars.

## BUY 30,000 FARMS

### Soldier Settlers Have Taken That Many Pieces of Land

Nearly $50,000,000 has been loaned by the Soldiers' Settlement Board to Canadian soldiers who have settled on farms. The effect of the demand for farms from soldier-settlers has been beneficial to farm land properties all over Canada, as in the 30,793 farms already purchased by the boards for the soldiers, every province is represented. The number of applications approved in each province has been as follows:

| | |
|---|---|
| British Columbia | 3,918 |
| Alberta | 8,579 |
| Saskatchewan | 7,751 |
| Manitoba | 5,130 |
| Ontario | 2,749 |
| Quebec | 287 |
| New Brunswick | 791 |
| Nova Scotia | 614 |
| Prince Edward Island | 374 |

## MOST FIRMS HAVE KEPT FIRE COVER UP TO NEW COSTS

### Although One Insurance Official Says He Has Not Noticed It

### FIRE LOSSES DOWN

### With Insurance Outlay Reduced and Premium Income Increased, 1919 Promises to be Good Year

That there are still many manufacturers and others who have failed to increase their fire insurance to cover increased building costs is the statement of one Toronto insurance man, who said that the experience of his company was that, although they noted a substantial increase in premium income for the year, very little of it was obtained from increasing risks already held. This company's experience, if it is as the official stated, differs from the experience of most Canadian insurance companies and agents, who report that the incessant hammering home of the necessity of keeping policies up to building costs by financial journals and insurance agents, has had its effect on manufacturers generally, who have increased their risks the amount of their insurance an average of 30 to 40 per cent. all over the country.

Another insurance official states that this will be the biggest year on record in Canadian fire insurance, and all the companies will make good profits. Not only has the volume of business handled been greater than ever before, but the fire losses throughout Canada have been materially reduced, except perhaps in Ontario, where a few outstanding conflagrations such as the Port Colborne explosion, have increased losses somewhat. But even in Ontario the loss from fires in manufacturing establishments has been much below normal. It is hoped that the fire loss for the year in Canada will run below the enormous figure of over $31,000,000 reached last year, which was an increase of more than $10,000,000 over the previous year.

**Profits Reflect Activity**

It has been pointed out that while life insurance companies have been writing up more business this year than during any other single year before this, the effect of the new business will not be to increase profits this year, owing to the fact that it often costs more than the first year's premium to place a new policy holder on the books of the company. This is not the case in the case of the fire insurance companies because a fire insurance policy is a yearly contract, and the insurance agent placing the business gets a small commission every year, instead of drawing the largest part of the first one entire year's premium, as is the case in the life insurance business. Thus, increased profits in the case of a fire insurance company reflect greater business and fewer losses during the current year, while in the life insurance company they are the reflection of the activity of the years before.

Some manufacturers, on being advised by their agents to increase the amount of their insurance, have given the excuse that the high cost of building is a temporary condition, and that the added risk would have to be carried for such a short time that it would hardly be worth the confusion it would bring. The answer of the agent in many cases has been that higher building costs will prevail for some years yet, and that in any event development of his plant in that time under increased business would enable him to distribute the added risk to new buildings as they are erected rather than cut it out altogether when building costs decline, if they do.

## EXEMPT SOLDIERS' HOMES

### Sault Ste. Marie First Town to Adopt It

A dozen or more Ontario municipalities have been considering the question of granting tax exemption on houses owned and occupied by returned soldiers, but the only one to adopt the plan so far is Sault Ste. Marie. The city council of that town has granted tax exemption on all soldiers' homes for ten years, provided that the houses are assessed at less than $3,000.

The action of the Sault Ste. Marie council is directly opposite to the stand taken by the Union of Alberta Municipalities, which last week adopted a resolution protesting against such exemption on the grounds that it would penalize communities which were most patriotic during the war.

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Development of inter-urban motor truck traffic in the United States had led the United States Government to plan expenditures of $633,000,000 on hard-surface highways during 1920. Expenditures this year will total $188,000,000 the highest on record.

# VANCOUVER SHOWS FURTHER ACTIVITY IN NEW BUILDING

## But Builders Remember the Lessons Learned in Boom Days

## SOME NEW HOTELS

### Subdivision Property is Being Offered and Finds a Good Market—Banks Erect New Offices

**Special Correspondence.**

VANCOUVER.— Building permits issued in Vancouver for the first ten months of the calendar year totalled $1,765,428, which is a gain of a half million over the corresponding period of 1918. These figures are very small when compared with the boom days of 1910-12, but the more recent construction is of a much more substantial nature and profiting by the lessons of the earlier period, builders are not undertaking work until they are able to complete it. There are still two or three buildings which were left uncompleted at the time of the smash, but judging from present activity on the coast, it is probable that they will be finished within the next few months. The chief of these is the big Y.M.C.A. building on Georgia street, and although a couple of campaigns have been carried out, insufficient money was subscribed to assure completion. The "Y" officials have now given up their interest, but, due to the prominent location a few hundreds yards from the Hotel Vancouver, it is safe to say that within a comparatively short time it will be taken over and completed for some mercantile interest, thus removing an eyesore of several years' standing As this city is taxed to the limit for good hotel accommodation, it would not be surprising if it would be used for this purpose.

**Subdivisions Appear**

Men who are in close touch with the city's building affairs are predicting a record year for building in 1920. Many important undertakings are to be carried out, in which the Federal Government will take an active part. The Canadian National Railway under its agreement with the city is expected to carry out its promise for the construction of a large modern hotel. Wharf and dock improvements will add further large sums. The need for houses and apartment blocks is urgent, the return of thousands of overseas men making the situation acute. In face of this, rents both for residences and apartments have been materially boosted, which has resulted in active building operations throughout the suburbs. Prices of lots and houses have also been advanced. Subdivisions are again making their appearance on the market after a long absence, and buyers have been in a receptive mood, judging by the number of blocks offered and sold by the Royal Financial Corporation, of which Mr. E. B. McDermid and Brigadier-General V. W. Odlum are the joint managers.

**Banks Expanding**

The Hudson's Bay Company is also to undertake important extension work to cope with the increasing volume of business. Several of the banks have been making enquiries as to more prominent business locations and moves in this line are anticipated. The Union Bank have made a good start on their new premises at the corner of Hastings and Seymour streets and when completed, it will be one of the most impressive looking bank buildings in the city. There is persistent talk of the erection of a big theatre at the corner of Georgia and Seymour streets and several organizations are waging an active campaign for the construction of an auditorium building in keeping with the growing needs of the city, whose population within the corporate limits is now placed at 110,000.

## ANOTHER GROUP POLICY

### Metropolitan Life Insure Patterson Candy Employees

Another large group insurance policy has been written in Canada by an American insurance company. The Metropolitan Life of New York has written a contract with the Patterson Candy Company of Toronto, insuring all of the 400 employees of the company against death or total disability, and providing free nursing service. The amounts of the insurance policies vary from $500 to $1,000. All the employees are included in the scheme, from office boy to general manager.

So far no Canadian companies have announced any group insurance policies that they have written, although one or two have been after this form of business.

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# CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchange, with prices at closing on Nov. 28. In stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active. (Reserve Funds, Profit and Loss, include all Reserves except "Depreciation.")

## BANKS

| Capital Stock Outstanding | Reserve Fund | Profit and Loss | Net Earnings % 1917-18 | Dividends 1916 | Dividends 1917 | Dividends 1918 | Last Dividend Date 1919 | Last Dividend Rate | Yield to Nov. 19 | BANKS | Range 1916 High | Range 1916 Low | Range 1917 High | Range 1917 Low | Range 1918 High | Range 1918 Low | Range 1919 to Nov. 20 High | Date | Low | Date | Close Nov. 28 1918 Ask | Close Nov. 28 1918 Bid | Close Nov. 28 Ask | Close Nov. 28 Bid | Week ending Nov. 28 High | Low | Close | Sales |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 4,866,666 | 3,017,333 | 428,844 | 13 70 | 7 | 8 | | | | | British North America | 112 | 110 | 112 | 112 | 165 | 112 | | | | | | | | | | | | |
| 15,000,000 | 15,000,000 | 1,444,812 | 19 00 | 10+2 | 10+2 | 10+2 | 2nd Sept. | 3 | 6.03 | Commerce | 203 | 183 | 188 | 182½ | 202 | 183¾ | 215 | Jan. 9 | 196 | Nov 14 | | 185 | 199 | 198½ | 199 | 198 | 198 | 108 |
| 6,000,000 | 7,000,000 | 446,503 | 18 10 | 12 | 12 | 12 | 1st Sept | q. 3 | 5.88 | Dominion | 220 | 204 | 212½ | 202 | 209½ | 199 | 219 | Jan. 20 | 199¾ | June 26 | 202 | | 205 | 204 | 205 | 204 | 204 | 399 |
| 3,000,000 | 3,500,000 | 85,114 | 19 03 | 12 | 12 | 12 | 2nd Sept. | q. 3 | 6.15 | Hamilton | 197 | 246¾ | 192 | 184 | 188⅛ | 184 | 209 | Jan. 15 | 181½ | May 27 | | | 193 | 191 | 192 | 192 | 192 | 15 |
| 4,000,000 | 3,800,000 | 62,959 | 14 87 | 9 | 9 | 9 | 2nd Sept. | q. 2¼ | 5.69 | Hochelaga | 149 | 145 | 145 | 140 | 143 | 140 | 160 | July 26 | 147 | Jan. 13 | | | | | 155 | 155 | 155 | 50 |
| 7,000,000 | 7,500,000 | 865,459 | 17 81 | 12 | 12 | 12 | 1st Nov. | q. 3 | 6 06 | Imperial | 203 | 180 | 200½ | 185 | 202½ | 185 | 210 | Jan 20 | 196 | July 24 | | 190 | | | | | | |
| 1,947,705 | 400,000 | 158,748 | 12 26 | 5 | 5 | 5 | 2nd Sept. | q. 1½ | 6 32 | Home Bank | | | | | | | | | | | | | | | | | | |
| 7,000,000 | 7,000,000 | 574,043 | 19 75 | 10 | 10 | 10+1 | 1st Nov. | q. 2¾ | 5.82 | Merchants | 180 | 150 | 170 | 167 | 180 | 169 | 202½ | Apr. 25 | 180 | Jan. 2 | 167 | | 191 | [illegible] | 190 | [illegible] | 189 | 59 |
| 4,000,000 | 4,800,000 | 248,029 | 17 80 | 11 | 11 | 11 | 1st Oct. | q. 3 | 6 28 | Molsons | 195 | 182 | 186 | 179½ | 179⅞ | 179⅜ | 200 | Jan. 17 | 179½ | Jan. 3 | 179⅞ | | 194 | [illegible] | [illegible] | 190 | 193 | 27 |
| 16,000,000 | 16,000,000 | 1,901,613 | 16 01 | 10+2 | 10+2 | 10+2 | 2nd Sept. | q. 3 | 5.76 | Montreal | 240½ | 219 | 234 | 210 | 218⅛ | 210 | 225 | Apr 24 | 207¾ | Nov. 10 | 210 | | 209½ | [illegible] | [illegible] | 207 | 207 | 65 |
| 2,000,000 | 2,200,000 | 48,699 | 26 67 | 8 | 9 | 9 | 1st Nov. | q. 2½ | 5.62 | Nationale | 134 | 134 | 149 | 134 | 148 | 148 | 160 | Sept. 19 | | | | | | | | | | |
| 6,500,000 | 12,000,000 | 749,694 | 21 70 | 14 | 14 | 14 | 1st Oct. | q. 4 | 5.82 | Nova Scotia | 261 | 254 | 257½ | 248⅜ | 251⅛ | 248 | 278 | July 25 | 255 | Jan. 4 | 248 | | 274 | [illegible] | 274 | 273 | 273 | 269 |
| 4,000,000 | 4,750,000 | 199,853 | 16 12 | 12 | 12 | 12 | 1st May | q. 2 | 5.76 | Ottawa | 204 | 202 | 202 | 200 | 206 | 201 | 208 | Feb. 1 | 203 | Jan. 4 | | | | | | | | |
| 4,000,000 | 15,000,000 | 535,757 | 20 06 | 12 | 12 | 12 | 2nd Sept | q. 3 | 5 55 | Royal | 221¼ | 210 | 214 | 208 | 215 | 205 | 218⅛ | Nov. 13 | 205 | Feb. 17 | 208 | | 218 | 216 | 216½ | 215¾ | 216½ | 73 |
| 3,500,000 | 4,600,000 | 227,326 | 19 91 | 13 | 13 | 13 | 1st Nov. | q. 3¼ | 6.13 | Standard | 221 | 211¼ | 215 | 200 | 208¾ | 200 | 217 | July 15 | 204⅜ | Apr. 25 | 200 | | 211 | | 210⅛ | 210 | 210 | 88 |
| 1,223,341 | 410,000 | 240,909 | 17 50 | 6 | 6 | 6 | 15th Nov. | q. 1½ | 6.59 | Sterling | | | | | | | | | | | | | | | | | | |
| 5,000,000 | 6,000,000 | 625,6 | 16 90 | 11 | 11 | 11 | 2nd Sept. | q. 3 | 6.09 | Toronto | 215⅛ | 190 | 192 | 187⅛ | 193⅛ | 184½ | 205 | Feb. 4 | 193 | Jan. 6 | | | 196 | 193 | 195⅞ | 195⅞ | 195⅞ | 25 |
| 5,000,000 | 3,400,000 | 126,298 | 15 48 | 8+1 | 8+1 | 9 | 2nd Sept. | q. 2½ | 6.25 | Union | 140 | 132 | 142 | 135 | 162 | 137 | 171 | Jan. 7 | 157⅛ | Feb. 20 | | | | 160 | 160⅞ | 159 | 159 | 25 |

## TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS

| Outstanding Common Stock | Outstanding Preferred | Bonds and Debentures | Reserve Funds Profit and Loss | Dividends 1917 | Dividends 1918 | Last Dividend Date | Rate | Yield | TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS | Range 1916 High | Range 1916 Low | Range 1917 High | Range 1917 Low | Range 1918 High | Range 1918 Low | Range 1919 High | Date | Low | Date | Close Nov. 28 1918 Ask | Close Nov. 28 1918 Bid | Close Nov. 28 Ask | Close Nov. 28 Bid | Week High | Low | Close | Sales |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 27,450,000 | 8,483,500 | 52,083,961 | | 1 | | 1st Mar. 17 | q.1 | | Barcelona, T. L. and P. | 17 | 19 | 17 | 8 | 15¼ | 8¾ | 13¾ | Jan 10 | 7⅛ | Nov. 13 | 13 | 12⅞ | 8 | 7⅞ | 8 | 7⅛ | 8 | 110 |
| 96,417,800 | | 7,500,000 | 5,190,986 | 6 | 6 | 1st Oct. | q. 1½ | | Brazilian Traction L. and P. | 62⅝ | 43 | 47¾ | 31¼ | 40 | 32 | 61 | July 10 | 50 | Feb. 4 | 52 | 51¾ | 52¾ | 52⅛ | 53¾ | 50 | 52¾ | 5,627 |
| | 10,000,000 | | | | | | | | Brazilian Traction, Pref. | | | | | | | | | | | | | | | | | | |
| 12,000,000 | | 6,684,206 | 5,009,630 | | | 16th Sept. | q. 1 | 5.63 | Canada Steamships Lines, Com. | 45 | 16 | 45⅜ | 29¾ | 51 | 39¾ | 75¼ | Oct. 25 | 41⅛ | Feb. 2 | 46¾ | 45¾ | 73 | 72 | 73⅜ | 69⅜ | 72¾ | 1,760 |
| | 12,500,000 | | | 19.83 | 7 | 1st Oct. | q. 1¾ | 8.23 | " " Pref. | 95⅛ | 89¾ | 93¾ | 71 | 80 | 72⅛ | 87⅛ | June 2 | 77 | Feb. 13 | 76¾ | 76¾ | 85⅛ | 85 | 85½ | 85 | 84⅞ | 390 |
| [illegible]0,000,000 | 40,681,921 | 271,934,882 | 233,999,716 | 10 | 10 | 1st Oct. | q. 2½ | 5.90 | Canadian Pacific Railway | 182⅛ | 163¾ | 167⅛ | 127¾ | 185 | 137¾ | 175 | July 16 | 160 | Jan. 9 | | | | | | | | |
| 15,000,000 | | 35,851,500 | 7,807,827 | 7¾ | 8 | 2nd Sept. | q. 2 | 7.54 | Detroit United | 128⅛ | 69 | 128 | 104¾ | | | 113 | Nov. 4 | 94 | May 10 | | | | 106 | 106½ | 105⅞ | 106⅛ | 245 |
| 3,500,000 | 1,500,000 | 3,500,000 | 576,002 | 2 | 3 | 1st Oct. '18 | s. 1 | 7.14 | Duluth Superior Traction Co., Com. | 49 | 37 | 51 | 40 | 42 | 41 | 32½ | Oct. 30 | 28 | Feb. 21 | | | 30 | 29 | 29 | 29 | 29 | 3 |
| 12,331,000 | | 4,562,000 | 1,060,346 | 3 | | | | | Illinois Traction, Com. | | | | | | | | | | | | | | | | | | |
| | 7,289,500 | | | 6 | 6 | 1st Oct. | q. 1½ | 8.57 | Illinois Traction, Preferred | 91 | 87¾ | 89 | 79 | 80 | 80 | 80 | Feb. 1 | 70 | Oct. 7 | | | 67 | | 70 | 68 | 68 | 8 |
| 20,000,000 | | 16,381,333 | | | | 1st Nov. '13 | q. 1¾ | | Mexico Tramways Co. | | | | | | | | | | | | | | | | | | |
| 25,206,800 | 12,603,400 | 87,264,900 | 20,488,0[illegible]4 | 7 | 7 | 15th Oct. | s. 3½ | | Minn., St. P. and S.S.M., com. | | | | | | | | | | | | | | | | | | |
| 3,403,330 | | 35,608,153 | 1,152,457 | 10 | | 1st Oct. | q. 2½ | 8.33 | Montreal Tramways | | | 181 | 144 | 150 | 150 | 125 | Nov. 11 | 114¾ | June 4 | | | | | 124 | 124 | 124 | 2 |
| 9,000,000 | 4,465,500 | 14,075,000 | 2,428,908 | 5 | 5 | 15th Sept. | q. 1¼ | 6.84 | Northern Ohio Traction | | | | | | | | | | | | | | | | | | |
| 3,000,000 | | 3,885,666 | 253,513 | | | 1st Oct. '14 | p. 1 | | Porto Rico Railways Co., Com. | 49⅛ | 30 | 42 | 30 | 37 | 25¾ | 35 | Feb. 8 | 24 | Sept. 9 | | | | | | | | |
| | 1,000,000 | | | 7 | 7 | 1st Oct. | q 1¾ | 8.75 | " " Pref. | 30 | | 80 | 80 | | | | | | | | | | | | | | |
| 9,999,500 | | 10,797,000 | 753,091 | | | 15th Jan. '12 | q. 1 p | | Quebec Railway L., Heat & P. Co. | 45 | 14 | 35½ | 14¾ | 22½ | 15 | 25 | Nov. 15 | 16⅛ | Feb. 19 | | 20 | 24 | 21 | 24 | 23¼ | 23⅜ | 612 |
| 12,000,000 | | 2,730,253 | 6,675,017 | 8 | 4 | 2nd Jan. | q 1 | | Toronto Railway | 111 | 72 | 90⅛ | 58⅛ | 63 | 58 | 55 | Jan. 4 | 39 | June 14 | | | 46 | 44½ | 46 | 44 | 45 | 165 |
| 22,000,000 | 3,000,000 | 20,238,000 | 1,180,078 | 6 | 1 | 2nd Jan. | q 1 | | Twin City, common | 101 | 93⅜ | 95 | 63 | 65⅛ | 39⅛ | 58 | June 4 | 37 | Nov. 20 | 51 | 49½ | 42 | 40 | 40 | 36¾ | 36¾ | 17 |
| 9,000,000 | | 10,130,000 | 1,502,068 | | | 1st Jan. '16 | q. 2¼ | | Winnipeg Electric | 110 | 90 | 81 | 36 | 48 | 48 | 49 | Mar. 3 | 35 | Jan. 16 | | | | | | | | |

## TELEGRAPH, LIGHT AND POWER UTILITIES

| Outstanding Common Stock | Outstanding Preferred | Bonds and Debentures | Reserve Funds Profit and Loss | Dividends 1917 | Dividends 1918 | Last Dividend Date | Rate | Yield | TELEGRAPH, LIGHT AND POWER UTILITIES | Range 1916 High | Range 1916 Low | Range 1917 High | Range 1917 Low | Range 1918 High | Range 1918 Low | Range 1919 High | Date | Low | Date | Close Nov. 28 1918 Ask | Close Nov. 28 1918 Bid | Close Nov. 28 Ask | Close Nov. 28 Bid | Week High | Low | Close | Sales |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 18,000,000 | | [illegible],149,000 | 2,286,556 | 8 | 8 | 15th Oct | q. 2 | 6.83 | Bell Telephone | 152 | 140 | 150 | 129 | 132⅛ | 128 | 133 | May 19 | 114 | June 7 | 130 | | 118 | | 117½ | 117 | 117 | 95 |
| 5,360,700 | | | | 10 | 10 | 1st Oct | q. 2½ | 6.57 | Consumers Gas | 176 | 160 | 165½ | 147 | 153 | 144½ | 152 | Feb. 14 | 138 | Oct. 16 | 150 | | 152 | | 151⅛ | 151⅛ | 151⅛ | 30 |
| 1,900,000 | | 2,999,813 | 141,438 | | | | | | Calgary Power | | | | | | | | | | | | | | | | | | |
| 41,380,400 | | | 1,924,151 | 1½ | 6 | 1st Oct. | q. 1½ | 7.55 | Mackay, common | 69¾ | 64⅛ | 90 | 70¾ | 79¾ | 72⅛ | 82 | May 12 | 71⅛ | Jan. 23 | 78 | 76¾ | 79 | 78 | 79 | 78½ | 78⅛ | 73 |
| | 50,000,000 | | | | 4 | 1st Oct. | q. 1 | 6.06 | preferred | 15 | 15 | 68 | 59 | 65⅜ | 56⅛ | 68 | June 6 | 64⅛ | Jan 28 | 64⅛ | 63½ | | | | | | |
| 13,585,000 | 6,000,000 | 21,073,833 | | | | 30th Dec. '13 | th.q.1 | | Mexican Light and Power Co., com | | | | | 20 | 18 | 18 | June 6 | | | | | | | | | | |
| 64,126,[illegible]00 | | | 2,608,204 | 4 | 4 | 15th Nov | q. 1¼ | 5.61 | Montreal L., H, and Power Cons | | | 82⅞ | 67⅛ | 88⅛ | 68⅜ | 95 | July 24 | 84⅛ | Feb. | 82 | | 89 | 88⅛ | 89 | 88¾ | 88⅜ | 168 |
| 3,499,120 | | 1,275,000 | 884,525 | 6 | 6 | 1st Oct. | q. 1½ | 7 05 | Ottawa, Light, Heat and Power Co. | 95¾ | 92 | 92 | 69¾ | 86 | 69 | 87 | Oct 23 | 75 | Jan. 18 | | | | | 87 | 87 | 87 | 5 |
| 16,342,500 | | 9,789,261 | 3,039,957 | 7 | 7 | 10th Oct. | q. 1¾ | 5.93 | Shawinigan Water and Power Co. | 137 | 126¾ | 130⅛ | 107 | 118⅛ | 105 | 127½ | May 8 | 114⅛ | Jan. 13 | 114⅛ | | 117⅛ | 117 | 117⅛ | 117 | 117⅛ | 867 |

## INDUSTRIALS AND MISCELLANEOUS

| Outstanding Common Stock | Outstanding Preferred | Bonds and Debentures | Reserve Funds Profit and Loss | Dividends 1917 | Dividends 1918 | Last Dividend Date | Rate | Yield | INDUSTRIALS AND MISCELLANEOUS | Range 1916 High | Range 1916 Low | Range 1917 High | Range 1917 Low | Range 1918 High | Range 1918 Low | Range 1919 High | Date | Low | Date | Close Nov. 28 1918 Ask | Close Nov. 28 1918 Bid | Close Nov. 28 Ask | Close Nov. 28 Bid | Week High | Low | Close | Sales |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 5,000,000 | 1,000,000 | 5,768,200 | 1,073,249 | 7 | 7 | 1st Oct. | 1½ | 3.52 | Abitibi Power and Paper, com | | | 58⅛ | 48 | 51⅛ | 48 | 190 | Nov. 8 | 48 | Jan. 3 | | 48 | 186¾ | 186 | 190 | 177 | 185 | 1,510 |
| 6,394,300 | 7,904,200 | | 1,743,234 | | | | | | Amer. Cyanamid, com | | | 30 | 19 | 35⅞ | 21 | 47 | July 8 | 38 | July 7 | | | | | | | | |
| 3,500,000 | | 1,562,666 | 507,408 | | | | | | Ames Holden McCready Co., com | 35 | 19⅛ | 23⅛ | 12 | 28 | 15 | 121½ | Nov. 18 | 26 | Jan. 3 | | | 118⅜ | | 119 | 114 | 114 | 1,030 |
| | 2,500,000 | | | | | 1st Oct. | q. 1¾ | 6.08 | " " pref | 80½ | 52 | 61 | 47 | 72½ | 47 | 116¾ | Oct. 23 | 65⅜ | Jan. 2 | | | 114⅜ | 114 | 121⅛ | 114⅛ | 115 | 219 |
| 4,266,200 | | | | 4 | 5 | 21st Nov. | q. 1½ | 9.67 | British Col. Fish, com | | | 56 | 35 | 51⅛ | 41 | 71 | Oct. 18 | 46 | Mar. 15 | 60 | 58 | 63⅛ | 62⅛ | 65 | 62⅛ | 62¼ | 125 |
| 7,000,000 | 2,000,000 | 1,452,000 | 607,100 | 5 | 5 | 7th Nov. | 1½ | 6.65 | Brompton Pulp and Paper, com | | | 59 | 38 | 63¾ | 41⅜ | 86¾ | Nov. 3 | 55 | Apr 30 | | | 77⅛ | 77⅛ | 79 | 77 | 79 | 1,338 |
| 750,000 | | | 721,391 | 6 | 6 | 1st Oct. | q. 2 | 7.54 | F. N. Burt Company, com | 88 | 72 | 82 | 65 | 75 | 63⅛ | 112⅛ | Oct. 9 | 71 | Jan. 13 | | | 106 | 105⅛ | 107 | 105 | 106 | 70 |
| | 1,975,200 | | | 7 | 7 | 1st Oct. | q. 1¾ | 6.60 | " " pref | 96 | 86 | 93⅛ | 86 | 90 | 77¾ | 110⅛ | Oct. 10 | 90 | Jan. 22 | | | 106 | 105⅛ | 106 | 106 | 106 | [illegible] |
| 2,500,000 | | 3,750,000 | 103,418 | 2 | | 2nd Jan. '17 | 2 | | Canada Bread, com | 30 | 16⅛ | 20 | 13 | 24⅛ | 16 | 27⅞ | Sept. 30 | 18 | Feb. 11 | | | 30½ | 29⅛ | 33 | 26¼ | 29 | 6,106 |
| | 1,250,000 | | | 7 | 7 | 1st Oct. | q. 1¾ | 8.64 | " pref | 90 | 87 | 86⅛ | 80 | 83¾ | 93¾ | 85 | Jan. 18 | 78¾ | Sept. 15 | | | 81 | 80 | 81 | 80 | 80¾ | 94 |
| 13,500,000 | | 6,839,046 | 4,002,643 | 6 | 6 | 16th Oct. | q. 1½ | 8.33 | Canada Cement, com | 73 | 37¾ | 69⅞ | 52 | 69¾ | 56⅛ | 74 | Oct. 23 | 63 | Feb. 6 | 62 | 61 | 71 | 70 | 71⅛ | 71 | 71 | 322 |
| | 10,500,000 | | | 7 | 7 | 16th Nov. | q. 1¾ | 7.07 | " pref | 9 | 86 | 95¾ | 90 | 96 | 90 | 103¾ | Sept. 24 | 95 | Jan. 2 | | 92¾ | 100 | 99 | 99⅛ | 99 | 99 | 380 |
| 4,975,000 | | 5,222,593 | 5,830,171 | | | 2nd June '14 | s. 2 | | Canadian Car and Foundry, com | 75 | 32 | 46⅛ | 17 | 38⅜ | 18 | 55 | Nov. 4 | 28 | Jan. 2 | 30½ | 30 | 50¼ | 49 | 50 | 49⅛ | 49⅛ | 390 |
| | 7,500,000 | | | | 3½ | 10th Oct. | q.1¾+1¾ | 7.07 | " pref | 94 | 1¾ | 89 | 49 | 91 | 49⅛ | 101½ | Sept. 17 | 82 | Jan. 23 | | 83 | 100 | 99 | 99⅛ | 98⅛ | 99⅛ | 331 |
| 1,733,500 | | 399,000 | 443,879 | 3 | 4½ | 15th Nov. | q. 1¾ | 7.04 | Canadian Converters | 46 | 34 | 43 | 39 | 50 | 43 | 71½ | Nov. 15 | 45 | Feb. 6 | | | | | 70½ | 70 | 70½ | 111 |
| 2,715,500 | | 4,626,000 | 2,518,893 | 4 | 6 | 4th Oct. | q. 1½ | 6.52 | Canadian Cottons, Limited com | 65 | 39 | 56 | 46½ | 70 | 48½ | 96½ | Oct. 22 | 67 | Feb. 20 | 67½ | | 92 | 91 | 92⅛ | 91⅛ | 92⅛ | 330 |
| | 3,661,500 | | | 6 | 6 | 4th Oct | q. 1½ | 7.31 | Canadian Cottons, Limited, pref | 82⅛ | 75⅛ | 82 | 75 | 77 | 71 | 87¾ | Apr. 22 | 76 | Jan. 10 | | | 83 | | 82 | 82 | 82 | 5 |
| 1,600,000 | 1,500,000 | | 1,762,537 | 9 | 6 | 15th July | s. 3 | | Canadian Fairbanks-Morse, pref. | | | | | | | | | | | | | | | | | | |
| 960,000 | | 179,700 | 1,297,06 | 12+3 | 12 | 15th Nov. | q. 3 | 6.21 | Canadian Foundries & Forgings, co | 217 | 170 | 205 | 150 | 213 | 150 | 208 | July. 9 | 175 | Nov. 30 | | | 196½ | 95 | 185¼ | 194 | 185 | 600 |
| | 960,000 | | | 7 | 7 | 15th Nov. | q. 1¾ | 7.21 | " pref | 90 | 85 | 84 | 82 | 97 | 90 | 92 | Oct. 16 | 89⅛ | Feb. 13 | | | | | | | | |
| 2,000,000 | | 1,500,000 | 1,657,324 | 5 | 6 | 1st Oct. | q. 1½ | 6.00 | Canadian Locomotive Co., com | 64⅛ | 51 | 64 | 52⅛ | 69⅛ | 58 | 105¾ | Oct. 8 | 60 | F b. 20 | 66½ | 66 | 101 | 100 | 100 | 98 | 98 | 178 |
| | 1,500,000 | | | 7 | 7 | 1st Oct. | q. 1¾ | 7.36 | " pref | 99 | 8[illegible] | 91⅛ | 83 | 90⅛ | 83 | 97⅛ | Oct. 20 | 89⅛ | Apr. 8 | | 86¾ | | 94 | 95 | 95 | 95 | 30 |
| 2,805,500 | | 9,500,000 | 5,700,795 | | | 15th Oct. '14 | | | Can. Consolidated Rubber, com | 91 | 84 | 99¾ | 90 | 100 | 98 | 150 | July 9 | | | | | | | | | | |
| | 3,000,000 | | | 7 | 7 | 30th Sept. | q. 1¾ | 7 00 | " pref | 97 | 91 | 99¾ | 95 | 98 | 97 | 100 | July 11 | 97 | Feb. 7 | | | | | | | | |
| 8,000,000 | | | | 8 | 8 | 1st Oct. | q. 2 | 7.33 | Canadian General Electric, com | 121 | 108 | 115⅛ | 99⅛ | 106 | 99⅛ | 116 | May 9 | 101⅛ | Mar. 18 | | 105 | 108⅛ | 107½ | 109 | 108 | 109 | 53 |
| | 2,000,000 | | 5,122,776 | 7 | | 1st Oct. | s. 3½ | 6 36 | " pref | 112 | 110 | 106 | 94⅛ | 110 | 100 | | | | | | | | | | | | |
| 1,200,000 | | 465,500 | 573,116 | | | | | | Carriage Factories Limited, com | 44 | 29¾ | 25 | 9¾ | 17 | 15 | 33 | Oct. 6 | 13 | June 6 | | | | | 24 | 24 | 24 | 75 |
| | 1,200,800 | | | | | 15th July '15 | q. 1¾ | | " pref | 75 | 60 | | | | | | | | | | | 74 | | 74⅛ | 74½ | 74⅛ | 167 |
| 565,000 | | 55,114 | 159,507 | | | 1st Oct. '16 | q. 2 | | City Dairy, com | 98 | 89 | 30 | 30 | 50 | 30 | 62⅛ | May 27 | 48 | Jan. 28 | | | | | | | | |
| | 700,000 | | | | 5¼ | 1st Oct. | q. 1¾ | 7.60 | " pref | 100⅛ | 92 | 70 | 60 | 87 | 60 | 95 | Aug. 1 | 84 | Feb. 18 | | 85 | | | | | | |
| 6,500,000 | | | | 9⅛+2 | 8 | 15th Nov. | q. 2 | 7.47 | Dominion Bridge Co. | 231⅛ | 160 | 170 | 125 | 128 | 123 | 123 | Jan. 13 | 94 | Aug. 28 | | | 107¾ | | 107¾ | 107 | 107 | 145 |
| 2,746,300 | | 1,719,410 | 3,025,307 | | | 1st Apr. '14 | q. | | Dominion Canners, com | 22 | 15 | 26 | 19 | 43 | 40 | 65⅛ | Oct. 18 | 34 | Mar. 14 | | | 61¾ | 60⅛ | 62 | 57 | 61 | 1,275 |
| | 2,290,600 | | 1,472,[illegible]21 | 7 | 1¼+7 | 1st Oct. | q. 1¾ | 7.86 | " pref | 65 | 61⅛ | 78 | 65 | 81 | 65 | 92 | June 6 | 76 | Jan. 10 | | 70 | | | | | | |
| 37,097,700 | 7,000,000 | 20,830,097 | 19,459,251 | 4½ | 5¼ | 1st Oct. | q. 1½ | 8.33 | Dominion Steel Corporation, com | 82 | 43 | 71¼ | 50¾ | 65 | 53 | 73¾ | Nov. 18 | 58¾ | Feb. 3 | 61¾ | 60⅛ | 72¾ | 72 | 73 | 71¼ | 72½ | 11,615 |
| | 5,000,000 | 13,641,526 | | 7 | 7 | 1st Oct. | q. 1¾ | 7.44 | Dominion Iron and Steel, pref. | 105 | 90 | 95 | 87⅛ | 98 | 88 | 100 | May 16 | 91 | Sept 19 | | 94 | | | 96 | 94 | 94 | 80 |
| 15,000,000 | 3,000,000 | 6,016,500 | | 7 | 7 | 1st Nov. | q. 1¾ | 7.14 | Dominion Coal, pref | 99 | 93 | 96⅛ | 85 | 95 | 94¾ | 100 | June 11 | 55 | May 2 | | | 98 | | 97 | 97 | 97 | 5 |
| 5,000,000 | | 3,267,500 | | 7 | 7⅛ | 1st Oct. | q. 2 | 6.72 | Dominion Textile, com | 90⅛ | 74⅛ | 89 | 76½ | 100⅛ | 80¾ | 125⅞ | July 16 | 100 | Feb. 5 | 97⅛ | 97 | 123 | | 123¾ | 120 | 133 | 445 |
| | 1,940,600 | | 3,349,083 | 7 | 7 | 15th Oct. | q. 1¾ | 6.66 | " pref | 105 | 101 | 105 | 99⅛ | 102 | 100 | 108 | Mar. 14 | 101 | Jan. 15 | | | | | 104¾ | 103 | 103 | 20 |
| 2,250,500 | | 1,100,000 | 685,115 | | | 2nd July '14 | q. 1¾ | | Goodwins, Limited, com | 40 | 40 | | | 15 | 11 | *27 | July 21 | 10 | Feb. 5 | | | | | | | | |
| | 1,750,000 | | | 6 | 6 | 1st Oct. | q. 1½ | 6.00 | " pref | 75 | 40 | 45 | 45 | 45 | 45 | 75 | July 17 | 45 | Jan. 11 | | | | 72 | 75 | 75 | 75 | 5 |
| 747,500 | | 210,000 | 1,260,366 | 7 | 7 | 1st Oct. | q. 1¾ | 7 00 | Goulds Manufacturing Co., com | | | 100 | 100 | 100 | 100 | | | | | | | | | | | | |
| | 747,500 | | | | | | | | " pref | | | 100 | 100 | 100 | 100 | | | | | 100 | | | | | | | |
| 6,267,005 | 500,000 | | 1,009,017 | 10 | 10 | 1st Oct. | 5¢ | | International Petroleum | | | 15.30 | 11.60 | 20.50 | 13.00 | 32.25 | May 14 | 19.25 | Jan. 8 | 15.75 | 14.88 | | | | | | |
| 40,000,000 | | 8,294,000 | 57,721 | | | | | | Lake Superior Corporation | | | 24 | 10 | | | | | | | | | | | | | | |
| 2,100,000 | | 900,000 | 978,797 | 8 | 15 | 1st Sept. | q. 3 | 5.36 | Lake of Woods Milling Co., com | 136⅛ | 122 | 130 | 120 | 169 | 120⅛ | 229⅛ | Nov. 12 | 157 | Mar. 26 | | | 222 | | 225 | 223 | 222 | 52 |
| | 1,500,000 | | | 7 | 7 | 1st Sept. | q. 1¾ | 6 48 | " pref | 129 | 116 | 116 | 116 | 110 | 100 | 110 | Nov. 6 | 106 | Jan. 17 | | | | | 108 | 108 | 108 | 19 |
| 9,600,000 | | 620,615 | 2,425,548 | 10 | 10 | 1st Oct. | q. 3 | 5.28 | Laurentide Co. | 217⅛ | 176 | 195 | 152 | 198 | 152 | 246 | Oct. 23 | 192 | Jan. 10 | 190 | | 232¾ | | 234 | 232 | 235 | 482 |
| 1,750,000 | 1,300,000 | 988,400 | 402,001 | 2 | 8 | 10th Oct. | 2 | 5.71 | Lyall Construction Co., com | 93 | 25 | 80 | 53 | 85⅛ | 63 | 165 | Nov. 1 | 64 | Apr. 2 | | | 134½ | 134 | 145 | 120 | 124 | 2,767 |
| 3,000,000 | 1,766,800 | | 422,906 | | | 30th June '13 | | | A. Macdonald Co. com. | 19⅛ | 10 | 15⅛ | 8 | 23 | 13¼ | 40 | Oct. 17 | 21½ | Jan. 10 | 21 | 20⅛ | 37 | 36 | 36⅛ | 35⅛ | 36 | 85 |
| 2,500,000 | | | 2,318,545 | 22½ | 10+14 | 18th Oct. | q. 3 | 6.12 | Maple Leaf Milling, com | 122 | 100 | 115 | 90 | 140 | 91 | 209 | Oct. 20 | 121½ | Jan. 30 | 126 | | 206 | 203 | 206 | 200 | [illegible] | 588 |
| | 2,500,000 | | | 7 | 7 | 18th Oct. | q. 1¾ | 6.79 | " pref | 108 | 93 | 103 | 91⅜ | 98⅛ | 91⅛ | 107 | June 23 | 96¼ | Jan. 8 | | | 103 | | 103 | 101⅛ | 101⅛ | 7 |
| 2,949,600 | | | | 4 | 4 | 15th Sept. | q. 1½ | 6.02 | Montreal Cottons, Ltd., com | 63 | 50 | 58⅛ | 49 | 61 | 50 | 84 | Nov. 17 | 58⅜ | Jan. 9 | | | 83 | 81 | 83 | 83 | 83 | 157 |
| | 2,949,600 | | | 7 | 7 | 15th Sept. | q. 1¾ | 6 86 | " pref | 115 | 99 | 103 | 99 | 100 | 99½ | 103 | Mar. 15 | 100 | Jan. 17 | | | 104 | | 100 | 100 | 100 | 1 |
| 1,275,000 | | | 671,905 | | 4 | 1st Nov. '13 | q. 1½ | | Monarch Knitting Co., com | 40 | 25⅛ | 40 | 30 | 46 | 39 | 65 | Nov. 4 | 50 | Jan. 28 | | | | | | | | |
| | 750,000 | | | 7 | 7 | 1st Nov. | q. 1¾ | 7 77 | " pref | 83 | 80 | 81 | 80 | 80½ | 75 | 92 | June 13 | 78 | Jan. 6 | | | | | 88 | 88 | 88 | 4 |
| 2,000,000 | | | 527,504 | | | | | | National Steel Car, com | | | 21 | 5 | 10⅛ | 5 | 16 | Feb. 27 | 4 | Nov. 8 | | | | | | | | |
| | 1,500,000 | | | | | | | | " pref | | | 78 | 17 | 40 | 20 | 59 | Mar. 19 | 18 | Jan. 14 | | 26 | | | | | | |
| 15,000,000 | | 11,169,619 | 4,616,584 | 5+20 | 5 | 15th Jan | q. 1¾ | | Nova Scotia Steel, com | 154⅛ | 93¾ | 128 | 66 | 71⅛ | 63⅛ | 97 | June 2 | 48 | Mar 5 | 63¼ | | | | | | | |
| | 1,000,000 | | | 8 | 8 | 15th Oct. | q. 1½ | 5.88 | " pref. | 115 | 110 | 112 | 105 | 103 | 100 | 112½ | July 4 | 104⅛ | Mar. 21 | | | | | | | | |
| 2,500,000 | | 2,350,000 | 3,850,592 | 10⅛ 15 | 12+15 | 15th Oct. | q. 2 | 7.40 | Ogilvie Flour, com | 152 | 127⅞ | 158 | 137 | 205 | 140 | 298 | Nov. 18 | 194 | Mar. 11 | | | 292 | | 290 | 200 | 290 | 5 |
| | 2,000,000 | | | 7 | 7 | 1st Oct. | q. 3+15 | 4.00 | " pref | 116 | 44⅛ | 115 | 107 | 111 | 100 | 110 | Feb. 8 | 106 | Jan. 13 | | 106 | | 105¾ | 106½ | 105½ | 105¾ | 115 |
| 750,000 | | 561,300 | 281,729 | | | 1st Sept | q. 1¾ | 6.54 | Ont. Steel Products, com | 45 | 19 | 34 | 18 | 35 | 22⅛ | 50 | Nov. 19 | 27 | Apr. 28 | 27 | | 50 | 49 | 50 | 49¾ | 49⅛ | 220 |
| | 750,000 | | | | | | | | " pref | 91⅛ | 73 | 74 | 74 | 28 | 73 | 90 | N ov. 11 | 75 | May 19 | | | | | | | | |
| 650,000 | | | 29,654 | 7+1¼ | 7+1¼ | 15th Nov. | q. 1¼+½ | 8.86 | Pacific-Burt Co., com | 29 | 20 | 40 | 28 | 34 | 34 | 36 | Oct. 15 | 25 | May 22 | | | 36 | | 37 | 37 | 37 | 10 |
| | 650,000 | | | 2 | 2 | 1st July | s. 1 | 5.71 | " pref | 83¾ | 77⅛ | 82 | 79 | 77¼ | 77¼ | 85 | Oct. 23 | 75 | Mar 8 | | | | | | | | |
| 500,000 | | | 1,010,427 | 7 | 7 | 1st Oct. | q. 1¾ | 8.33 | Paton Manufacturing Co. | | 130 | 124 | 124 | 124 | | | | | | | | | | | | | |
| 2,150,600 | | 2,000,000 | 3,350,167 | 8+5 | 8+4 | 15th Sept. | 4+2 | 7.75 | Penmans, Limited, com | 78 | 60 | 73⅛ | 64 | 84 | 65 | 112 | Oct. 23 | 77⅛ | Jan. 4 | | 79 | 107 | 105 | 106 | 105 | 106 | 50 |
| | 1,075,000 | | | 4+1 | 5½+2 | 15th Nov. | q. 1¾ | 5.66 | " pref | 90 | 82 | 86 | 81⅛ | 85¼ | 81⅛ | 98⅛ | Oct 8 | 82¾ | Feb. 5 | | 83 | | | 91 | 91 | 91 | 5 |
| 5,000,000 | | 5,651,484 | 2,874,224 | 6 | 6 | 1st Nov. | q. 1½ | 6.52 | Price Bros | 132 | 60⅛ | 134 | 115 | 151 | 120 | 250 | Nov. 17 | 150 | Jan. 10 | | | | 255 | 257½ | 250 | 257½ | 175 |
| 4,500,000 | | 2,033,500 | 1,851,813 | 6 | 8+2 | 1st Sept. | 2 | 3.26 | Riordon Pulp and Paper, com | 150 | 59 | 127 | 106 | 123 | 117¾ | 159 | Oct. 18 | 117¾ | Jan. 2 | 117¾ | | 140⅛ | 149 | 149⅛ | 146⅛ | 146⅛ | 950 |
| | 1,000,000 | | | 6+4 | 10 | 15th Nov. | q. 2½ | 6.84 | " pref | | | 95 | 90 | 97 | 92½ | 100 | June 6 | 94 | Jan. 4 | | | | 99 | 99 | 98 | 99 | 55 |
| 1,500,000 | | 502,000 | 428,647 | 7 | | 30th Sept. | q. 1¾ | 7.21 | William A. Rogers, Ltd., com | 99 | 85 | 80 | 40 | | | 80 | Oct. 22 | 25⅛ | Mar. 28 | | | 72 | | 70 | 70 | 70 | 53 |
| | 1,122,800 | | | 1½ | | 1st Apr. '17 | q. 1¾ | | " pref | 99 | 87 | 92 | 90 | | | 95⅛ | Nov. 11 | 65 | Mar. 13 | | | | | | | | |
| 800,000 | | | 536,162 | 7 | | | q. 1¾ | | Russell Motor Car, com | 114 | 32 | 92 | 50 | 90⅞ | 55 | 102⅛ | Oct 23 | 68 | Feb. 19 | | | | | | | | |
| | 1,200,000 | | | 7 | 7 | 1st Nov. | q. 1¾ | 7.07 | " pref | 139 | 66 | 122 | 72 | 91⅛ | 68¾ | 109 | Oct. 24 | 70 | Jan. 10 | | | | | | | | |
| 1,500,000 | | 529,300 | 310,114 | 29¾ | 7 | 1st Nov. | q. 1¾ | 7.14 | Sawyer-Massey Co., com | 30 | 20 | 24 | 8 | 13 | 10 | 22 | July 11 | 8 | Apr. 17 | | | | | | | | |
| | 1,500,000 | | | | | | | | " pref | 134⅛ | 58 | 41 | 40 | 40 | 40 | 62½ | July 14 | 30 | Apr. 11 | | | | 63 | 63⅛ | 62 | 63¾ | 55 |
| 4,000,000 | | 1,838,500 | 2,333,282 | | | 2nd June '14 | q. 1¾ | | Sherwin-Williams, com | 99⅛ | 53⅛ | 60 | 56 | 60 | 60 | 76 | Sept. 6 | 60 | Jan 3 | | | | | 76 | 76 | 76 | 49 |
| | 3,425,000 | | | | | | | | " pref | 100 | 97⅛ | 100 | 98 | 100 | 99 | 102 | June 23 | 97⅛ | Aug. 27 | | | | | 100¾ | 100 | 100¾ | 15 |
| 8,750,000 | | | | 7 | 7 | 30th Sept. | q. 1¾ | 7.00 | Shredded Wheat, com | 140⅛ | 102¼ | 137¾ | 112 | 112 | 100 | 147 | Oct. 27 | 124 | Mar. 15 | | | | 144¾ | 145 | 145 | 145 | 5 |
| | 1,250,000 | | 395,100 | 6+2 | 8 | 1st Oct. | q. 2 | 5.51 | " pref | 120 | 95 | 95 | 95 | 92 | 87 | [illegible]0 | Apr. 22 | 99 | Jan. 13 | | | | | | | | |
| 1,062,500 | | 288,000 | 205,765 | 6 | 6 | 1st Oct. | q. 1½ | 6.66 | Smith Paper Mills, Com | | | 74⅛ | 66 | 66 | 65 | 147 | Nov. 8 | 65 | Feb. 27 | | | 145 | 140 | 145 | 143 | 145 | 101 |
| | 475,000 | | | 4 | 2 | | | | " Pref | | | | | 80 | 73¾ | 99⅛ | Nov. 4 | 78 | Feb. 28 | | | | | | | | |
| 8,000,000 | | 10,332,113 | 2,368,222 | 7 | 7 | 15th Oct. | q. 1¾ | 7.07 | Spanish River Pulp Mills, com | 24¼ | 3¼ | 19 | 12⅛ | 20 | 12¾ | 72⅛ | Oct 18 | 17 | Jan. 14 | 15 | 14⅝ | 66⅛ | 65¾ | 72 | 63 | 72 | 4,528 |
| | 5,699,100 | | | | | | | | " pref | 70 | 29 | 59¾ | 47 | 64¾ | 50 | 118⅜ | Oct. 31 | 63⅛ | Jan. 23 | 56 | | 120 | 118 | 120¼ | 117 | 120¾ | 1,185 |
| 11,500,000 | | 8,931,246 | 15,019,130 | | | 15th July '13 | q. 1¾ | | Steel Co. of Canada, com | 88¼ | 34¾ | 71⅛ | 47⅛ | 74¼ | 49¾ | 77⅛ | Nov. 5 | 57⅛ | Feb. 1 | 55⅛ | 58½ | 76 | 75⅛ | 77⅛ | 75½ | 77⅛ | 5,722 |
| | 6,496,300 | | | 6 | 4 | 1st Nov. | q. 1½ | 8.00 | " pref | 107¼ | 82½ | 100½ | 84⅛ | 98 | 84 | 100¾ | May 26 | 91⅛ | Mar. 28 | | 93⅛ | 99⅛ | 98¾ | 100 | 99 | 100 | 807 |
| 1,250,000 | 3,602,700 | 1,066,945 | 311,577 | 7 | 7 | 1st Nov. | q. 1¾ | 7.07 | Standard Chemical, pfd | | | | | 62 | 62¼ | | | | | | | | | | | | |
| 1,210,000 | | 167,155 | 251,154 | | | 1st June '14 | 3½ | | St. Lawrence Flour com | | | 56 | 49 | 97¾ | 50 | 124 | Oct. 6 | 87½ | Mar. 12 | | | 120 | 119¾ | 120 | 117¼ | 110 | 320 |
| | 575,000 | | | | 5¾+4 | 1st Nov. | 1½+1 | 5.08 | " pref | | | | | 85 | 80 | 97 | June 2 | 80 | Feb 8 | | | | | | | | |
| 650,000 | | | | | 7 | 1st Nov. | 1¾ | 7.77 | Tooke Bros., com | 25 | 16 | 19 | 19 | 30 | 15 | 73 | Oct. 21 | 20 | Mar 11 | | | 69 | | 68¾ | 68½ | 68⅛ | 135 |
| | 985,000 | | 149,379 | | | | | | " pref | 83 | 78 | 79 | 70 | 77 | 72¼ | 92¼ | Sept. 19 | 70 | Feb. 4 | | | | | | | | |
| 750,000 | | 461,100 | 302,984 | 8¾ | 3½ | 13th Sept. | q. 1¾ | 7.77 | Toronto Paper Co. | 96 | 44 | 90 | 72 | 72⅜ | 65 | 137 | Oct 15 | 68 | Mar. 6 | | | | | | | | |
| 2,500,000 | | | 462,046 | 6+4 | 6+3 | 2nd July | s. 3+1 | 4.37 | Tuckett Tobacco, com | 25 | 23½ | 22½ | 17 | 24¼ | 18⅛ | 60¾ | Oct. 21 | 22 | Jan. 17 | | | 56 | 52 | 53 | 50 | 52 | 175 |
| | 2,000,000 | | | | | | | | " pref | 90 | 75 | 83⅛ | 78 | 82½ | 72¾ | 91½ | Sept. 25 | 80 | Jan 4 | | | | 90 | 90 | 00 | 90 | 6 |
| 1,750,000 | | 901,000 | 5[illegible]0,347 | 7 | 7 | 15th Oct. | q 1¾ | 7.77 | Wabasso Cotton | | | | | 61 | 21 | 107 | Sept. 24 | 58 | Jan. 2 | | | | | | | | |
| 5,000,000 | | 3,395,000 | 908,060 | | 5⅛ | 2nd Oct. | 2 | 7.44 | Wayagamack com | | | 97 | 50 | 55 | 50 | 90 | Oct. 25 | 46 | June 2 | 51 | 50⅛ | 80½ | 80 | 81¾ | 78 | 79⅜ | 180 |
| 1,718,600 | | 440,000 | 1,091,439 | 7 | 7+5 | 2nd Sept. | q. 1¾ | 6.14 | Woods Manufacturing Co., Ltd. com. | 65 | 33 | 61 | 44 | 98 | 57¼ | 115 | Oct. 19 | 86⅛ | Jan. 13 | | | | 110 | 112 | 110 | 112 | 180 |
| | 1,546,500 | | | 7 | 7 | 1st Oct. | q. 1¾ | 8.23 | " pref | 101 | 84 | 86 | 30 | 86 | 83½ | 90 | Mar. 17 | 83¾ | July 3 | | | | 85 | 85 | 85 | 85 | 62 |

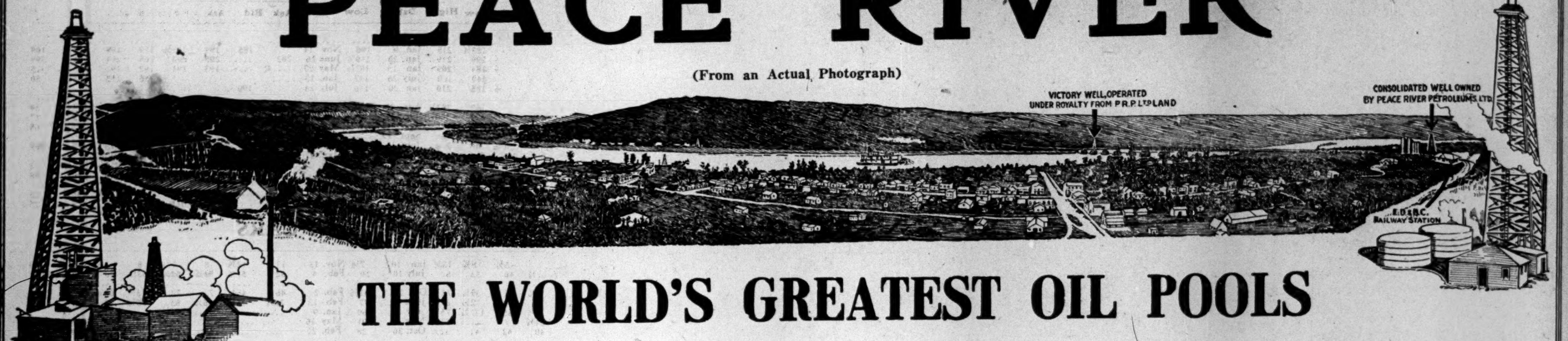
## LOAN, INSURANCE AND FINANCIAL STOCKS AND MISCELLANEOUS

| Common Stock outstanding | Deposits Preferred Stock or Debentures Outstanding and Int. | Reserve and Contingent P. & L. | Dividends 1918 | Last Dividend Date | Last Dividend Per cent. | LOAN AND TRUST | Range for Year 1917 High | Range for Year 1917 Low | Range for year 1918 High | Range for year 1918 Low | Latest Price Ask | Latest Price Bid | Last Sale |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1,205,000 | 3,847,000 | 1,337,989 | 9 | 1st Oct. | q. 2¼ | Canada Landed | 160 | 150 | 148¾ | 140 | 143 | | 140 |
| 6,000,000 | 19,626,287 | 5,672,509 | 10 | 1st Oct. | q. 2½ | Canada Permanent | 173 | 162⅛ | 169⅛ | 162⅛ | 170 | | 170 |
| 1,750,000 | 4,968,206 | 1,842,074 | 10 | 1st Oct. | q. 2½ | Central Canada | | | | | 190 | | |
| 20,000 | 2,981,290 | 427,213 | 6 | 1st July | s. 3 | Col. Investment, pref. | 77 | 63 | 69 | 63 | 70 | | |
| 934,876 | 1,032,651 | 271,556 | 5 | 2nd July | s. 2½ | Dominion Savings | | | 76 | 75 | | | |
| 2,412,566 | 2,221,508 | 1,022,338 | | 1st July | Def. | Great West Per | | | | | | 82 | 75 |
| 1,200,000 | 2,091,322 | 1,228,940 | 8 | 2nd July | s. 4½ | Hamilton Provident | 142 | 137 | 133 | 121 | | | 89½ |
| 2,500,000 | 12,293,412 | 3,323,337 | 12 | 1st Oct. | q. 1½ | Huron and Erie | 211 | 205 | 204 | 203 | | 146 | |
| 1,000,000 | 1,597,848 | 886,732 | 8 | 2nd July | s. 4 | Landed Banking | 143 | 143 | 141 | 140 | | 142 | |
| 1,250,000 | 2,653,710 | 924,981 | 8 | 1st Oct. | q. 2 | London and Can. Loan | 132 | 128⅛ | 126⅛ | 126⅛ | 119 | | 119 |
| 887,849 | 1,664,356 | 362,385 | 6+1 | 1st Oct | q. 1¾ | London Loan and Sav | | | | | | | |
| 600,000 | 317,808 | 764,494 | 10+1 | 15th Sept. | q. 2½ | Montreal L. & Mtg. Co. | 165 | 162⅛ | 152 | | | | 153⅛ |
| 1,500,000 | 7,892,179 | 1,662,183 | 10 | 1st Oct. | q. 2½+1 | National Trust | 212 | 207½ | | | | 200 | 200 |
| 1,750,000 | 3,749,473 | 2,093,943 | 9 | 1st Oct. | q. 2¼ | Ont. Loan and Deb. | 175 | 175 | | | | 160 | 157 |
| 500,000 | 614,943 | 266,434 | 7 | 2nd July | s. 4 | Real Estate Loan | | | | | 100 | | 98 |
| 1,500,000 | 34,589,757 | 2,152,812 | 10+1 | 1st Oct. | q. 2½+1 | Toronto Gen. Trusts | 215 | 200 | 204 | 199¾ | | 215 | 211 |
| 724,550 | 1,773,183 | 659,449 | 8 | 1st Oct. | q. 2 | Toronto Mortgage Co. | 140 | 136 | 134 | | | 139 | 131 |
| 1,000,000 | 2,912,673 | 1,134,604 | 10 | 1st Oct. | q. 2½ | Toronto Savings | | | | | | | 185 |
| ,000,000 | 11,157,301 | 494,065 | 7 | 1st Oct. | q. 2 | Union Trust | | | | | | | 178 |
| ,000,000 | 49,964,[illegible] | 7,483,662 | 15 | 1st Oct. | q. 2½ | Canada Life Assurance | | | | | | | 190 |

| Common Stock Outstanding | Bonds, Preferred Stock or D'b'ntures Outstanding | Reserve and Contingent P. & L. | Dividend 1918 | Last Dividend Date | Last Dividend Per cent. | MISCELLANEOUS COMPANIES | Range for year 1917 High | Range for year 1917 Low | Range for Year 1918 High | Range for Year 1918 Low | Latest Price Ask | Latest Price Bid |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 3,000,000 | | 1,365,591 | | 15th Oct. | 1¼ | Asbestos Corporation, com. | 21 | 12 | 45 | 15 | 84 | 80 |
| | 7,000,000 | | 5¼ | 15th Oct. | 1½ | " " pref | 58 | [illegible] | 62¾ | 44¾ | 96½ | |
| 1,500,000 | | 1,987,697 | 8 | 1st Oct. | s. 4 | Canadian N. Prairie Lands | | | | | | |
| 800,000 | 380,000 | 523,572 | 8 | 1st Oct. | q. 2 | Canadian Salt | 136 | 128 | 132 | 126 | 142 | |
| 59,109 | | 2,298,978 | $5 | 23rd Dec. | $5 | Can North-West Land | | | | | | |
| 100,000 | 11,234,281 | 1,969,045 | 20 | 30th Sept. | q. 5 | Confederation Life A. | 330 | 330 | | | 375 | |
| 6,212,666 | | 443,964 | 4½ | 2nd Sept. | q. 1½ | Crows Nest Pass Coal | 70 | 50 | 55 | 50 | | |
| 1,000,000 | | 290,978 | 6 | 15th Oct. | q 1½ | Dominion Telegraph | 89 | 76½ | | | | 60 |
| 3,000,000 | 12,669,500 | | | | | Electrical Dev., pref. | | | | | | 90 |
| 450,000 | b 7,072,085 | 1,991,255 | 10 | 1st Oct. | q. 2½ | Imperial Life Assur. | | | | | | |
| 501,000 | 378,900 | 843,103 | 7 | 1st July | s 3½ | Intercolonial Coal, pref | | | | | | |
| 3,000,000 | | 133,458 | 3 | 1st Mar. '14 | 1 | Intern. Coal and Coke | | | | | 80 | |
| 2,197,569 | 1,922,500 | 739,197 | 8 | 15th Nov. | q. 2 | Kaministiquia Power | | | 25 | 25 | | |
| 637,480 | b 561,000 | 104,871 | | 2nd July '17 | s. 3 | London Street | | | 120 | 120 | 112 | |
| 2,000,000 | | 121,228 | 8+10cts | 15th Oct. | q. 2 | Montreal Telegraph | 138 | 115 | 120 | 120 | 125 | |
| 925,000 | b1,123,000 | | | | | Nia., St. Kath. and Tor. | | | | | | |
| 1,164,000 | d 720,000 | 325,374 | | 10th July '15 | q.1¼ | Trinidad Electric | | | | | | |
| 2,340,100 | b1,439,926 | 858,434 | 8+2 | 15th Sept. | q. 2+2 | W. Can. Flour Mills | | | | | | |
| 800,000 | b 600,000 | 667,008 | 5 | 1st Oct. | q. 1¼ | West India Electric | 77 | 77 | | | | 147 |

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and Loss; +—indicates bonus; B—means bond; P—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 15th, 1912; Feb. 1st and Nov. 17th, 1918, December 3, 1914.

# PEACE RIVER


(From an Actual Photograph)
VICTORY WELL, OPERATED UNDER ROYALTY FROM P.R.P. LTD LAND
CONSOLIDATED WELL OWNED BY PEACE RIVER PETROLEUMS LTD
E.D.&B.C. RAILWAY STATION

# THE WORLD'S GREATEST OIL POOLS

A wonderful wealth is in store in the Peace River District where eminent Geologists and Oil Experts from all over the world, who have made careful and thorough investigations, report that they are convinced and state with full confidence that THE WORLD'S GREATEST OIL RESERVOIR will be found there.

Here is your opportunity to share in this wonderful wealth possibility.

**—IMPORTANT—**

**Oil has already been struck in two wells now being drilled on the Company's properties—Both wells will be drilled deeper to the BIG OIL POOL.**

## Let Canada's Wealth be Enjoyed By the Canadian People

Here is an opportunity for Canadians to invest in Peace River Petroleums Limited, a Canadian Corporation, controlled by successful Canadian business men, who intend in all sincerity and earnestness, to develop the marvellous oil fields in Peace River.

The Corporation, as will be seen by this announcement, controls over 48,000 acres of the best oil lands in

### This Vast and New Oil Field

The names of the directors, all of whom are well known Canadian business men, are alone a guarantee that development work will be aggressively proceeded with, and the funds of the company expended with economy and wise judgment.

In the past the cream of Canada's mineral resources have been exploited by foreign capital, but here we have a genuine Canadian enterprise which deserves, and should have, the support of every Canadian who is interested in the development of Canada's vast oil resources.

### American Oil Fields Nearing Exhaustion

The great oil fields of America are nearing exhaustion, and at the present rate of consumption of petroleum products, America will soon be compelled to curtail her export of oil.

A recent geological report to the United States Government by Dr. A. E. Atcheson on the oil resources of U.S.A., states that, "The peak of production in oil will be passed in 1921," and it has been predicted that within six years the United States Government will be forced to terminate all exports of oil.

What will Canada do when the United States prohibits all exports of oil?

We are at this moment suffering from a similar situation with Coal.

Peace River Oil will solve Canada's fuel problems.

Canada is now one of the smallest producers of oil in the world, only producing less than 300,000 barrels. Last year Canada imported over 10,000,000 barrels, and her consumption is rapidly increasing.

With the tremendous oil resources that Canada possesses, she should and will be one of the largest producers of oil and become an exporter instead of an importer of oil.

### OIL IS KING

Oil to-day is King—The world could not live without oil—Oil lubricates the machinery of the universe—Oil is the coming fuel for all purposes—Navies—Merchant Ships—Railways—Gasoline Engines—Farm Tractors—and so on without end.

Look at the rapid increase in consumption of oil for the past several years and the demands are increasingly greater each year.

The nation that cannot control its oil supplies must lag behind in the industrial race.

### Shrewd Canadians Are Buying

The shrewd men in Canada who believe that history will repeat itself are buying shares of **PEACE RIVER PETROLEUMS LIMITED,** as they believe that the great geologists of the world cannot all be wrong when they predicted that the Peace River District would become the **greatest oil field in the world** and this is now confirmed by the number of wells that have already been drilled and **struck oil.**

There is no miracle in a good investment, a good investment is the simple result of good judgment.

In view of these facts, you are recommended to buy shares in **Peace River Petroleums Limited,** at the present low price and help to secure.

**CANADA'S OIL FOR CANADIAN PEOPLE**

### No Bonus or Promotion Shares

There have been and will be no bonus or promotion shares issued by **Peace River Petroleums Limited.** All the directors have paid cash for their shares; every dollar received for shares by the Company goes into the treasury and will be used for drilling and development work and legitimate expenses. **A FAIR AND SQUARE DEAL IS ASSURED YOU.**

**WE OWN AND OFFER SHARES IN PEACE RIVER PETROLEUMS LIMITED, AT THE PRESENT LOW PRICE OF 35c FOR EACH ONE DOLLLAR SHARE (fully paid up and non assessable.)**

**THIS PRICE IS ONLY GOOD UP TO AND INCLUDING DECEMBER 31st, 1919.**

**35c a Share**

This is a genuine opportunity which looks as if it could not fail to return big profits in the near future and every person should avail themselves of the opportunity to purchase Shares at the present low price.

| | | | |
|---|---|---|---|
| $ 35.00 | Buys | 100 | Shares |
| $ 70.00 | " | 200 | " |
| $ 175.00 | " | 500 | " |
| $ 350.00 | " | 1000 | " |
| $1750.00 | " | 5000 | " |

**We Reserve the Right to Withdraw This Issue, or Raise the Price of Shares Without Notice.**

**Send in your application to-day—simply fill in the form attached and mail with cheque to**

**W. C. GOFFATT & CO.,**
Financial Agents
10-12 King St. East, Toronto, Canada

**PHONE MAIN 13 FOR FURTHER INFORMATION**

**Prospectus and map showing holdings of Peace River Petroleums Limited will be gladly sent on request.**

The "Financier" of London, England, one of the oldest and most reliable financial papers in Great Britain, in a recent article practically demanded that the public are entitled to participate in the shares of oil companies, and that shares should not be offered to a favored few.

Here is an extract from their editorial regarding a recent issue of oil shares in England:

> Instead of permitting the investing public to participate in the financing of the project, they have arranged to offer the shares for sale only to their personal clients and friends, and to ignore the great investing public outside that favored circle. We cannot help thinking that it would have been fairer to allow the great body of British investors . . to apply for shares. . . Undertakings of national importance in their scope and objects ought not to be the possession of the privileged few, but should rather be in the beneficial ownership of investors generally.

Every investor, large or small, has an oportunity to invest in Peace River Petroleums Limited—a project of national importance to Canada.

## Peace River Petroleums Limited

(NO PERSONAL LIABILITY)

General Offices: Sterling Trust Building, Toronto, Canada

**Capital Authorized, $5,000,000.**

**Divided into 5,000,000 Shares of par value $1.00 each**

### Officers and Directors

**President:**
**JOHN HALLAM**
**President John Hallam Ltd., Furs, Hides and Wool, Toronto.**

**WM. BRADSHAW**
**of A. Bradshaw & Son, Ltd., Wholesale Dry Goods, Toronto**

**CECIL H. THOMPSON**
**Vice-President Anglo-American Lumber Company, Toronto.**

**THOMAS MITCHELL**
**of Denton, Mitchell & Duncan, Wholesale Dry Goods, Toronto.**

**ADAM ANDERSON**
**Importer & Manufacturers' Agent Toronto**

**GEORGE BYRON COHEN**
**Wilson & Cohen, Importers and Manufacturers Toronto**

**SIDNEY C. BRASIER**
**of Wagner, Brasier & Co., Wholsale Fur Merchants, Toronto**

**THOMAS A. CAIN**
**General Manager, Reo Sales, Ltd., Toronto**

**ALLAN McPHERSON**
**President Quincy Adams Lumber Co., Ltd.; Director Chartered Trust & Executor Co., Longford Mills, Ontario.**

### STATUTORY INFORMATION

(b) The following information is given to meet the requirements of the Ontario Companies Act:—The qualification of a director is the holding of one share. The by-laws contain the following provisions: "The directors shall be paid out of the funds of the Company by way of remuneration for their services such sums as the shareholders in annual or special general meeting may from time to time determine, and such remuneration shall be divided among them in such proportion as the directors themselves may determine, and also the sum of $10.00 for each meeting attended, and shall also, in addition thereto be paid (after approval of the account by the board of directors) all out of pocket disbursements actually and properly incurred by them in connection with the affairs of the Company, including any travelling and hotel expenses incurred in attending meetings of directors or shareholders. If any director, being willing, shall be called upon to perform extra services or to make any special evertions in going or residing abroad or otherwise for any of the purposes of the Company, the Company shall remunerate the director so doing, either by a fixed sum or by a percentage of profits or otherwise as may be determined by the directors, and such remuneration may be either in addition to or in substitution for his share in the remuneration above provided by by-laws." The by-laws further provide that the remuneration of the officers, including the president, vice-president, secretary, treasurer, general manager, or managing director all of whom may be directors shall be settled from time to time by the board. (c) The names, descriptions and addresses of the directors are: William Bradshaw, 25 Wellington Street west, Toronto, Ontario. John Hallam, 111 Front Street east, Toronto, Ontario. Sydney Charles Brasier, 86 Front Street east, Toronto, Ontario. Adam Anderson, 89 Delaware Avenue, Toronto, Ontario. Thomas Mitchell, 83 Wellington Street west, Toronto, Ontario. Thomas Alfred Cain 593 Yonge Street, Toronto, Ontario. C. H. Thompson, Toronto, Ontario. George B. Cohen, 69 Bay Street, Toronto, Ontario. F. A. Rowlatt, 26 Adelaide Street, Toronto, Ontario. J. A. Izzett, 26 Wright Avenue, Toronto, Ontario.

(d) The minimum subscription is five shares, and the amount payable on application and on allotment on each share is the full amount of the price at which such share is issued. (e) Under the by-laws a further call or calls may be made upon shares subscribed for as and when the directors may determine, but the shares now offered are being issued not subject to further call. (f) 816,000 fully paid and non-assessable shares of a par value of $1.00 each have been issued or are proposed or intended to be issued in consideration of the transfer and assignment to the Company of leases covering an acreage of approximately 25,000 acres of petroleum and natural gas rights in the Peace River District, in Alberta and in British Columbia. (g) There are no vendors of any property purchased or acquired by the Company, or proposed so to be purchased or acquired, which is to be paid for wholly or partly out of the proceeds of the issue offered for subscription by this Prospectus, or the purchase or acquisition of which had not been completed at the date of the issue of the Prospectus. (h) No amount is paid or payable as purchase money in cash, shares, debentures or debenture stock or other securities for any such property. (i) Nothing has been paid or is payable as commission for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions for any shares in the Company, or for underwriting or procuring the underwriting of any securities issued or to be issued by the Company, but the letters patent authorize a commission of twenty-five per cent. (j) The estimated amount of preliminary expenses is $15,000.00, which is payable by the Company. (k) The amount paid for the preceding three years or intended to be paid in cash, shares, debentures, debenture stock or other securities, to any promoter, and the consideration for such payments are in paragraph (f). (l) The following contracts have been entered into:—Contract between J. M. Bowman and the Company, dated November 10, 1919. Contract between W. C. Goffatt & Co., and the Company, dated November 19, 1919. Copies of the above contracts may be inspected at the offices of the Company's brokers, Messrs. W. C. Goffatt & Company, 10-12 King Street east, Toronto, during the usual business hours. (m) No auditors have been appointed. (n) The following directors are interested in the promotion of or in the property proposed to be acquired by the Company, and the nature and extent of their interests is as follows:—W. Bradshaw and Adam Anderson are interested as shareholders in Consolidated Oil Fields of Peace River, Limited, to the extent of 31,300 shares and 15,000 shares respectively. Sydney C. Brasier, Thomas Mitchell, Thomas A. Cain, John Hallam and Allan McPherson, Geo. B. Cohen, C. H. Thompson are interested in the share consideration to be paid to the vendor, J. M. Bowman, above mentioned, to the extent of 20,000 shares, 20,000 shares, 40,000 shares, 20,000 shares, 20,000 shares, 20,000 shares, 10,000 shares and 20,000 shares respectively. The directors have been authorized to acquire shares in Smoky River Oil Company, Limited, and Consolidated Oil Fields of Peace River, Limited, for such consideration as they deem advisable, and it is proposed to acquire such shares in consideration of the issue of paid-up shares of this Company of a par value not exceeding the shares of such Companies so acquired.

Dated at Toronto this 26th day of November, 1919.

The Charter of Incorporation gives this Company power to control oil lands and operate oil-wells—build pipe lines—erect and operate refineries—own and operate tank cars, railways and steamboats—to produce natural gas—operate and supply municipalities with light, heat and power, also to manufacture gasoline from natural gas.

(Gasoline manufactured from the wet gas that comes from the wells at Peace River will become an enormous revenue-producing asset to Peace River Petroleums Limited.)

The Company also has power to operate and develop coal, iron and other valuable mineral deposits.

The Company controls over 48,000 acres of what are considered to be the choicest and richest oil lands in the Peace River District.

**SOLICITORS—Starr, Spence, Cooper & Fraser, 120 Bay St., Toronto, Canada; Cormack & Mackie, Edmonton, Alberta.**
**BANKERS—Canadian Bank of Commerce, Head Office, Toronto, Canada—Branches throughout Canada.**
**TRANSFER AGENTS—The Trusts and Guarantee Co., Ltd., Bay Street, Toronto, Canada.**
**FINANCIAL AGENTS—W. C. Goffatt & Co., 10-12 King St. East, Toronto.**

**Fill in and mail this application form to-day.**

**Send for Prospectus and Map.**

To—W. C. GOFFATT & CO.
10-12 King Street East, Toronto.

Please enter my application for ................shares of the Capital Stock of Peace River Petroleums Limited at Thirty-five cents a share (35c), fully paid up and non-assessable. Herewith I send you $..............................being the amount in full. Have shares issued for:

Name ..............................Address ..............................

Town ..............................Province ..............................

**Make cheques, drafts, money order, etc., payable to W. C. Goffatt & Co.**

# WHAT'S GOING TO BE EFFECT WHEN PRICES DECLINE?

## Indications That the High Peak Has Now Been Reached

## MARKETING PROBLEMS

### One Suggestion That Prices Should be Guaranteed to the Retailer to Protect Him From Loss

What's Going to Happen When Prices Drop? This question has been made the title of a most interesting article on the present price situation as applied to the manufacturer, the wholesaler and the retailer—as well as the consumer—by G. A. Nichols in 'Printers' Ink." In answering, Mr. Nichols presupposes that the peak of the high price movement has been reached and that it is only a matter of time until readjustment is commenced. Whether that readjustment will be sudden or protracted he regards as problematical, but investigations indicate that people are developing a disposition to save money where possible and are looking for more moderate-priced goods or postponing purchases in the hope of lower prices to come. Mr. Nichols' inquiries have provided him with a composite picture of the whole situation and the conclusion is reached: That there is a noteworthy agitation on for lower retail prices and that it is spreading far outside its original limit of things to eat. Up to the present however. the only specific direction in which it is being felt is the hesitancy on the part of dealers to place advance orders for ready-to-wear, including work clothing.

From inquiries in the Canadian markets there appears to be as yet little indication that the time for a decline in prices is at hand. There is a marked shortage of goods in almost every direction, and there seems to be little chance of anything like a slump while this condition continues. That the effect of rising prices will eventually be to check buying is inevitable, but as the advance is a result of the shortage and it will be a matter of increased production to make up this shortage—and production is increasing very slowly, if at all—it would seem logical to anticipate that any readjustment will be gradual and spread over a considerable period.

### Meeting the Situation

Manufacturers, wholesalers and retailers are all affected by this question of price adjustment. The actual losses to be faced in relation to goods on hand are in themselves a problem, but a still larger question is the placing of orders. In short, it is not so much a question of taking a loss on stock actually in hand, but of the uncertainty as to what the market may be three or six months hence for goods and materials which may be ordered to-day. Under such circumstances the safer course to pursue would be to work on a hand-to-mouth basis in making purchases, but this is a doubtful if not actually impossible policy when there is a prospect on the other hand that there will be an actual shortage of goods.

One question which has been raised under the conditions prevailing has to do with the advisability of manufacturers guaranteeing prices for the protection of their customers. This is the policy which will be followed by a big concern manufacturing men's furnishing goods; the general manager says:

> "We are going to meet this situation by guaranteeing prices," declared the general manager of a big concern which manufactures men's furnishing goods. "There is no use in temporizing with a proposition like this. I don't blame the retailers for being conservative. We are telling our customers that they need not hesitate or hold back. They can safely place their advance orders at present prices. Then if the market drops between now and the time for delivery of the goods, they will be billed at whatever the price is. There is nothing particularly new about this policy of ours. We used it to good advantage during the slow buying days brought about by the wartime merchandise crisis.
>
> "Of course, in making this proposition to our customers we do so on the supposition that any decrease in prices that may come will be gradual. If the totally unexpected should happen and prices should drop all in a heap, I don't know just what would be the outcome. I do not think it would be any fairer for us to bear all the loss in this case than it would be to ask the retailer to bear it. But to think about this possibility is merely to borrow trouble. There isn't the slightest chance in the world for prices to slump over night. They will go down so gradually that the reduction can be absorbed without any distress. People manufacturing and selling goods may not make so much money, but I am sure they need not fear disastrous consequences.
>
> **"If manufacturers and jobbers generally were to guarantee their prices as** we are doing this would remove much of the tmidity retailers now are displaying. Most of the jobbers and manufacturers are insistent that the price decline will be gradual and that nobody need fear. All right then—let them have the courage of their convictions and guarantee their prices on advance purchases. We have no fear at all as to the consequences to us. And we are very sure that our customers will get a fair deal. I suppose that we are the most stiff-necked people in the country when it comes to cancellations. We want our customers to know their needs intimately enough to order merchandise that they really want. When we accept an order we expect to fill it. We have to manufacture or buy the goods to fill that order and we have a right to expect the retailer to make good on it. I suppose our cancellations owing to this policy do not amount to more than five per cent. But if a retailer should get up against it owing to price drops or any other reason, what is there to do other than to meet him at least on a fifty-fifty basis? Guarantee prices now so as to speed up the buying for future delivery and then later proceed with the dealer on a live and let live basis. This is our policy and we have no misgiving as to what may happen."

This question of guaranteeing prices to the trade is one which should not be adopted without careful consideration. In some lines of manufacture it may be successfully worked out and may justify itself by maintaining the demand of the retailer. In other cases it will be found to only have the effect of postponing the necessary adjustment. Much would depend also upon the position of the producer in relation to his raw materials. If he does not have to book ahead for his own supplies on a definite basis and has confidence in his ability to judge what is going to happen he may find it good business to take such a course, but if he has to make definite purchases at top levels in order to protect his own supplies it would seem to be going far to endeavor to protect the trade against loss.

There would appear much to support the contention of many experienced merchandisers that just as there were benefits all along the line on rising prices, so there will be losses to be borne on stocks on hand on any readjustment to lower levels, but in a gradual change such as is anticipated these should be absorbed without serious consequences. Advances on goods and materials in stock were justified on the ground that there would probably be a time of declining values, but no one looks to see such declines attain anything like the proportions of the advances. There should be no apprehension as to the various branches of trade and industry generally being able to meet the situation out of the profits of several prosperous years without being crippled.

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# FOR DEPOSITORS OF DOMINION TRUST CO.

## Will Rank as Unsecured Creditors for Half of Amount on Books of Liquidator

By Special Representative.

VANCOUVER—With the approval of the court, depositors of the defunct Dominion Trust Company are to rank as unsecured creditors for half the amounts in which their names are registered on the books of the liquidator. E. P. Davis, K.C., who has been retained for the past couple of years to act on behalf of the depositors, appearing in court, announced that he approved the compromise. In case the liquidator has a claim against certain depositors, the amount of the claim is to be deducted from the whole deposit and the depositor will be allowed half of the balance. The liquidator of the Canadian Home Investment, which had a large sum on deposit in the trust company, has withdrawn his objections made a week ago as to the proposed settlement. This means that provided no other obstacle occurs dividend cheques will be mailed early in the new year.

There is, however, one obstacle. A number of creditors have made claims of misfeasance and breach of trust against the company and if it is necessary to fight these through the courts there will be additional delay. It is now five years last month since the company went into liquidation. Liquidator Gwynn is hopeful that a settlement may be made with creditors who have claims and whose status has not yet been settled, and that they may be added in the list of admitted creditors.

Permission was also given the liquidator to take legal proceedings against parties against whom there are claims. This will serve to speed up the settlement of the estate, which has been dragging along for months longer than it should have been in the opinion of men close to the affairs of the liquidation.

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It is stated that shoes at $6 a pair are to be placed on market by Belgian shoemakers for purpose of driving out foreign competition. Imported shoes sell in Brussels at from $15 to $25 a pair. These have been imported from the United States, among other countries, it is stated.

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# SUGGESTION THAT STATE REGULATE ALBERTA MINES

## Present Conditions Are Unfavorable to Profitable Operation of Properties

## TO FIGHT THE O. B. U.

### Labor Situation Still Causing Uncertainty—Western Production Has Direct Relation to American Strike

EDMONTON.—An inquiry into the coal mining industry in Alberta has been under way for the past month, a commission having been appointed by the Provincial Government for that particular purpose. There has been a feeling for a long time that something is wrong with the industry, which ought to be one of the most prosperous of its kind in Canada, but which in fact has been far from satisfactory, and the evidence taken by the commission has fully borne out that impression. With coal enough underground to supply the whole prairie and Western Ontario trade, even if the United States coal fields were to be strike-tied indefinitely, the industry in Alberta has been limping along, and the Government is trying to find out why.

Over-development and insufficient market for the output are given as the main reasons for the present unsatisfactory conditions of the industry. Over 320 mines are in operation, and it is claimed that fifty, or even fewer, could produce enough to supply the prairie trade if worked the whole year through. As it is, however, there is sufficient business only for a five- or six-month season. From October to February the demand is heavy, and if the winter is more than usually severe the mines and railways alike are taxed to their capacity; but for the rest of the year, the output is away below the mark.

### Remedies Suggested

Among the remedies that have been proposed is the formation of a permanent Government board of control, with power to widen out the markets, fix wages, regulate the working conditions, settle disputes, and generally to protect the interest of both the producing and consuming public.

H. A. Lovett, of Montreal, who is the chief executive of one of the largest Alberta mining companies, came West to give testimony before the Commission, and his suggestion was along the lines of such a board, properly constituted and maintained under strict Government supervision. Mr. Lovett is a barrister, but he has been connected long enough with the Alberta mining industry to have some practical ideas about its need and opportunities. There is a likelihood of his suggestion being embodied, in whole or part, in the findings of the Commission when it makes its report to the Provincial Government.

### As to Public Control

In some way, said Mr. Lovett in his evidence, the state must step in and put the coal mines on a better footing. Whether or not the principle of complete nationalization, as now being worked out experimentally in the railways, would be practicable or desirable for the mining industry, it was certain that in in the meantime a policy of public control would effect a substantial improvement.

The proposed board, which should be composed of men chosen for their competence rather than as representatives of any particular class or interest, and the cost of which would be provided by a tax on the mines, would control the mining of all coal lands in Alberta held under private ownership and would also stand ready to assist the Federal Government in the regulation of lands and mines under lease. It would have power to see that new mines were opened only when they had given assurance to carry on adequate development; to expropriate lands and initiate development where necessary; to fix the rates of pay for the miners and enforce agreements; and to adjust all differences between employers and employees.

"If the board is composed of upright, intelligent men, well informed as to the industry and continuously open for the adjustment of all differences immediately they arise," claimed Mr. Lovett, in putting forward his argument, "there should be few or no strikes, no lockouts, and no bad blood. The difficulty heretofore has been that disputes pass the stage of adjustment before they can be dealt with, and when they are dealt with it is by a board scrambled together for the occasion and poorly informed as to the industry. What we want is a board that will know its job down to the ground, and whose door will always be open for the patient and just disposal of each difference as it arises."

**This last phase of the proposed scheme is not its least important and might easily become its most important.** The labor situation in the Alberta mining fields has been causing considerable trouble, and the end is not yet. A determined effort to organize the One Big Union last spring proved abortive, and for the time the saner judgment of the Western workingmen carried in favor of the United Mine Workers; but no one expects that the fight is done.

There is still a strong O.B.U. sentiment, and the feeling is that its promoters are only biding their time for a second demonstration. Another stubborn strike, in consequence, is even now being reckoned with as a possibility in the near future. If some such machinery as that suggested by Mr. Lovett would be able to step in and settle all these troubles, the nightmare would be lifted and Alberta's coal mines started on the way to proseprity.—A. F.

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## FISHING PROHIBITED

### Steps Taken to Regulate Fraser Salmon Catch

By Special Representative.

VANCOUVER.—Fraser River salmon fishing in district No. 1 covering the southern part of the Lower Mainland has been prohibited. Salmon have advanced so far toward the spawning stage as to make them unfit for food. The order will remain in force until all the salmon in the Fraser and adjacent waters have reached their spawning grounds.

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# QUARTER OF ENGLAND IMPROPERLY HOUSED

## Assures Market For Canadian Lumber For Fifteen Years at Least

Canadian lumber manufacturers who are in a position to supply mill-cut houses, should benefit materially from the recent action on the part of the British Government in lifting restrictions on the erection of wooden houses in the British Isles. Even Canadian timber firms that are not in a position at present to supply much lumber to the British market will have a great field for future trade along this line, for it has been estimated that the shortage of houses in England runs well over the million mark and that England will have to build houses for fifteen or twenty years to catch up with requirements.

Speaking recently before the Society of Architects in London, Sir Charles Ruthen said:

> "It is likely that 15 or 20 years will be required before the actual housing shortage is overtaken. Present figures prove that over 7,000,000 persons—more than a quarter of the population of this country—are improperly housed.
>
> "I have been considering for the last twelve months whether some other methods could not be adopted in order that rapidly built, dry and reasonably permanent homes may be built for the people's immediate needs. I have studied the methods used in America and Canada. Thousands of houses erected in America **with timber as the main structure have lasted satisfactorily for a period equal to the life of the vast majority of the brick and stone houses in this country."**

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## ACCIDENTS ARE FEWER

### Ontario Compensation Board Reports Are Better

Industrial accidents in Ontario during the present year will probably show a smailor total than during 1918. During the first half of the present year the number of accidents was below the average, but the monthly totals have been increasing of late, largely due to the increased activity in building. During the first ten months of the year, there have been 35,403 accidents reported to the Workmen's Compensation Board as against 40,287 during the like period of 1918.

The amount of compensation awarded during the first ten months of 1919 was $2.859,448.35, which somewhat exceeds the amount for the same period in 1918. The increased wages and the increase in widows' and children's allowances in accidents happening since April 24 account for the increase in the amount of compensation. The total for the year will be well over the total for 1918, which was $3,514,648.47 exclusive of $369,346.37 paid for medical aid. The amount for medical aid will also exceed that for 1918 because of the amendment taking away the medical aid limitation.

*We Offer*

**$1,350,000**

**The King Edward Construction Company**
**Limited**

**Toronto, - Ontario**
(Subsidiary of United Hotels Company of America)

**Guaranteed 7% Cumulative Redeemable Preference Shares**
**Par value $100 per share**

Dividends payable half-yearly, May 1st and November 1st.
Payable in Toronto and to American holders in New York.
Redeemable at option of the Company at 110 on any dividend date.
Toronto General Trusts Corporation, Registrar.
The Toronto Agency Company, Limited, Transfer Agent

CAPITAL—AUTHORIZED AND ISSUED.

| | |
|---|---|
| Preference Stock, 7% Cumulative | $1,350,000 |
| Common Stock | 1,000,000 |
| First Mortgage { 6½% for 5 years / 6 % for 10 years } and thereafter renewable for balance outstanding. | 1,000,000 |

DIRECTORS:
King Edward Construction Company
Frank A. Dudley, President, Niagara Falls, N.Y.
Frederick W. Rockwell, Vice-President, Albany, N.Y.
Geo. H. O'Neil, Secretary and Treasurer, Toronto, Can.
D. M. Johnson, New York, N.Y.
Æmilius Jarvis, Banker, Toronto, Can.
Stephen Haas, Director, Union Bank of Canada, Toronto, Can.
Hume Blake, Director, Union Bank of Canada, Toronto, Can.

We summarize a letter from Mr. Frank A. Dudley, President of United Hotels Co. of America, as follows:—

**THE KING EDWARD CONSTRUCTION CO.**—The King Edward Construction Company has been incorporated for the purpose of constructing an addition to the King Edward Hotel, of Toronto, now in the chain of United Hotels Company of America, and is acquiring the remainder of the block on King Street, Toronto, now occupied by The King Edward Hotel Company, Limited, consisting of a tract of land bounded on the north by King Street, on the east by Leader Lane, and on the south by Colborne Street, covering in all approximately 16,000 square feet, on which it is proposed to erect a modern, fire-proof hotel building of seventeen stories, having 500 guest and 500 bathrooms, or bath connections.

The estimated cost of Land and Building is $2,350,000; of this $1,000,000 has been arranged for by the issuance of a first mortgage, the balance to be provided from the proceeds of the sale of the Company's shares.

**LEASE**—The King Edward Hotel Company has made an agreement with The King Edward Construction Company by which it leases the new addition for a period of 30 years at a rental sufficient to create a sinking fund, the application of which will retire the first mortgage by the end of the lease and pay interest thereon, pay 7% dividend on the Cumulative Preference Stock, 10% on the Common Stock; all taxes, rates, insurance and repairs.

**OPERATION.**—The control of The King Edward Hotel Company of Toronto was acquired on April 1st, 1918, by the United Hotels Company of America, since which date it has had an unsurpassed success.

**PARENT ORGANIZATION.**—The United Hotels Company of America, guarantors, control sixteen modern, fire-proof hotels throughout the United States and Canada; the net earnings of which (after interest and depreciation) for the first six months of 1919 were $558,639.94. Three of these hotels are in course of construction. It is safe to say that no company operating hotels in North America was ever better organized or equipped than the United Hotels Company of America.

**EARNINGS.**—It is estimated that the completed hotel can be operated at a 50% increase over the present cost of operation of the King Edward Hotel. The earnings, based on accomplishments to date, would justify an expectation of approximately $500,000 NET PER ANNUM.

**PREFERENCE STOCK GUARANTEES AND SAFEGUARDS.**—The dividend on the Preference Stock is guaranteed unconditionally and irrevocably both by The King Edward Hotel Company and the United Hotels Company of America, by trust agreement with the Toronto General Trusts Corporation, Trustee. The application of the Sinking Fund against the outstanding mortgage will wipe it out in thirty years, thereby leaving the entire property as security to the Preference Stock.

The terms of the lease by The King Edward Hotel Company make the dividends and sinking fund payments of The King Edward Construction Company, Limited, a direct obligation of The King Edward Hotel Company, Limited, and, therefore, payable in priority to dividends on that Company's stock. This stock is Preferred both as to Capital and Dividends, the latter being cumulative.

**HOTEL ACCOMMODATION.**—Toronto with a population exceeding half a million at the present time has less than 500 rooms in fire-proof hotels, over 400 of which are in the King Edward. On completion of the new addition there will still be only 1,000 rooms available. This is a smaller percentage than in any other city of its size in America.

**Price: Par ($100) per share**
**carrying a bonus of thirty per cent. in Common Shares**

Payment may be made as follows: 25% on application; 25% on Jan. 1st, 1920; 25% on Feb. 1st, 1920; 25% on Mar. 1st, 1920.

Subscriptions may be prepaid in full on application or at any time thereafter.

Fractional shares of Common Stock will be adjusted by Æmilius Jarvis & Company, at $60 per share.

Dividends on amounts paid up on Preference Stock commence on date of payment. Interim transferable receipt will be ready for delivery on or about November 15th, exchangeable for Definitive Certificate when engraved.

We reserve the right to cancel all subscriptions and return the amounts paid by subscribers with interest at 7% at any time prior to the 1st day of April, 1920.

Application will be made to list the Preference and Common Stock on the Toronto Stock Exchange.

The statements made, as they relate to the profits of the United Hotels Company of America are compiled from the statements of the Companies' General Auditor, Mr. Charles H. Doherty, and the books and statements of The King Edward Hotel Company, Limited, since incorporation, have been audited for Messrs. Æmilius Jarvis & Company by Messrs. George A. Touche & Company, Chartered Accountants, Toronto.

All legal details, leases and guarantees in connection with this issue have been passed upon for Æmilius Jarvis & Co. by Blake, Lash, Anglin & Cassels; for United Hotels Company of America by Starr, Spence, Cooper & Fraser.

Detailed statements of the Companies involved, agreements, guarantees and leases are on file at this office and open to inspection by purchasers of stock.

**Send for Prospectus.**

**ÆMILIUS JARVIS & COMPANY**
INVESTMENT BANKERS
JARVIS BLDG. - - TORONTO, CAN.

DIVIDEND NOTICE

### BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT., upon the paid up Capital Stock of this Institution, has been declared for the current quarter, payable on and after Monday, the FIRST DAY OF DECEMBER next, to Shareholders of record of 31st October, 1919.

By order of the Board.
FREDERICK WILLIAMS-TAYLOR,
General Manager
Montreal, 24th October, 1919

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### Woods Manufacturing Company, Limited

DIVIDEND NOTICE.

THE regular Quarterly Dividend of One and Three-quarters per cent. (1¾%) on the COMMON STOCK of WOODS MANUFACTURING CO., LIMITED, for the Quarter ending November 30th, and a bonus of five per cent. (5%), has been declared, payable December 1st, 1919, to Shareholders of record November 29th, 1919.

By Order of the Board.
JOHN T. F. KEENE,
Secretary-Treasurer.
Montreal, November 21st, 1919.

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### McIntyre Porcupine Mines Limited

(No Personal Liability)

DIVIDEND NO. 9.

NOTICE is hereby given that a Dividend of 5 per cent. (5%) on the issued capital stock of the Company will be paid on the 2nd day of January, 1920, to shareholders of record at the close of business on December 1st, 1919.

By Order of the Board.
M. P. VAN DER VOORT,
Secretary-Treasurer.
Dated at Toronto, Nov. 21st, 1919.

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### Dominion Textile Company Limited

NOTICE OF DIVIDEND

A DIVIDEND of two per cent. (2%) on the Common Stock of the DOMINION TEXTILE COMPANY, LIMITED, has been declared for the quarter ending 31st DECEMBER, 1919, payable JANUARY 2nd, 1920, to shareholders of record DECEMBER 15th, 1919.

By Order of the Board.
JAS. H. WEBB,
Secretary-Treasurer.
Montreal, 17th November, 1919.

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### The Wabasso Cotton Company, Limited

DIVIDEND NO. 8.

NOTICE is hereby given that a quarterly Dividend of 2 per cent. has been declared on the Capital Stock of the Company for the quarter ending December 31st, 1919, payable January 2nd, 1920, to Shareholders of record at the close of business on December 15th, 1919.

By order of the Board.
S. B. CAYFORD,
Secretary-Treasurer.
Montreal, November 13th, 1919.

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### Imperial Oil, Limited

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that a dividend of seventy-five cents (75c) per share has been declared by the Directors of Imperial Oil, Limited, and that the same will be payable in respect of shares specified in any share warrant of the Company within three days after the coupon serial number one of such share warrant has been presented and delivered at the Royal Bank of Canada, Toronto, Ont., or at the office of Imperial Oil, Limited, Toronto, Ontario, such presentation and delivery to be made on or after the first day of December, 1919.

Payment to shareholders of record and fully paid up at the close of business on the 25th day of November, 1919 (and whose shares are represented by share certificates) will be made on or after the first day of December, 1919.

The books of the Company for the transfer of shares will be closed from the close of business on the 25th day of November, 1919, to the close of business on the 1st day of December, 1919.

W. T. McKEE,
Secretary.

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### THE WINDSOR HOTEL CO. OF MONTREAL

ANNUAL MEETING.

THE Annual General Meeting of the Shareholders of the Windsor Hotel Co. of Montreal will be held in the Blue Room, Windsor Hotel, on Tuesday, the 2nd of December, 1919, at 2.00 p.m., for the reception of the Annual Report, Treasurer's Statement, Election of Directors for ensuing year, and such other business as may come before the meeting.

JOHN DAVIDSON,
Secretary-Treasurer.
Montreal, November 17th, 1919.

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**THE FINANCIAL POST IN MONTREAL**

Offices of THE FINANCIAL POST in Montreal are in The Southam Building, 128 Bleury St. THE FINANCIAL POST is on sale at the following news-stands and book-stores in Montreal: Murphy's News-stand, St. James St. (next G.P.O.); the Ritz-Carlton Hotel the Windsor Hotel, the Queen's Hotel, Chapman's Bookstore, 190 Peel St.; Foster, Brown & Co., 472 St. Catherine St. West.

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### The Canada Landed and National Investment Company, Limited

DIVIDEND NO. 131.

NOTICE is hereby given that a DIVIDEND OF TWO AND ONE-QUARTER PER CENT. (being at the rate of nine per cent. per annum) on the amount paid up on the Capital Stock of this Company, has been declared for the quarter-year to the thirty-first day of December, 1919, and that the same will be payable at the office of the Company, 23 Toronto St., Toronto, on and after the second day of January, 1920, to Shareholders of record at the close of business on the seventeenth day of December, 1919.

By Order of the Board.
EDWARD SAUNDERS,
Managing Director.
Toronto, 19th November, 1919.

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### Dominion Iron & Steel Co. Limited

**Notice of Preferred Stock Dividend No. 40.**

A QUARTERLY dividend of one and three-quarters per cent. on the Preferred Stock of the Dominion Iron & Steel Company, Limited, has been declared payable 1st January, 1920, to shareholders of record on 13th December, 1919.

By order of the Board of Directors.
C. S. CAMERON,
Secretary.
Montreal, 20th November, 1919.

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### Dominion Steel Corporation Limited

**Notice of Common Stock Dividend No. 23.**

A DIVIDEND of one and one-half per cent., being at the rate of six per cent. per annum on the Common Stock of the Dominion Steel Corporation, Limited, has been declared payable 1st January, 1920, to shareholders of record on 5th December, 1919.

By order of the Board of Directors.
C. S. CAMERON,
Secretary.
Montreal, 20th November, 1919.

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### The Sherwin-Williams Co. of Canada, Limited

NOTICE is hereby given that the thirty-fourth quarterly dividend of One and Three-quarters per cent. (1¾%), being at the rate of Seven per cent. (7%) per annum, for quarter ending December 15th, 1919, upon the Preferred Stock of this Company, has been declared, payable to Shareholders of record the fifteenth day of December, 1919, and that cheques will be mailed on December thirtieth, 1919.

Books not closed.

By Order of the Board.
J. H. GORDON,
Secretary-Treasurer.

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### The Royal Bank of Canada

FIFTIETH ANNIVERSARY BONUS

NOTICE is hereby given that to commemorate the Fiftieth Anniversary of the founding of the bank, a bonus of 2% upon the paid up capital stock of the bank has been declared, and will be payable at the bank and its branches on and after Saturday, the 20th day of December next to shareholders of record at the close of business on the 29th day of November.

By order of the Board.
C. E. NEILL,
General Manager.
*Montreal, Que., November 11, 1919*

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### The Bank of Nova Scotia

DIVIDEND NO. 200

NOTICE is hereby given that a Dividend of four per cent. on the paid-up Capital Stock of this Bank has been declared for the quarter ending December 31st, and that the same will be payable on and after Friday, the second day of January next, at any of the offices of the Bank.

The Stock Transfer Books will be closed from the 17th to the 31st proximo, inclusive.

By order of the Board.
H. A. RICHARDSON,
General Manager.
Halifax, N.S., November 14th, 1919.

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### The Sherwin-Williams Co. of Canada, Limited

### NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the annual general meeting of the shareholders of the Sherwin-Williams Company of Canada, Limited, will be held at the head office of the Company, 897 Centre Street, Montreal, Que., on Saturday the 15th instant at 2.30 o'clock p.m. to receive a statement of the affairs and financial position of the company, and for the election of directors, and for the transaction of such other business as may come before the meeting.

By order of the Board.
J. H. GORDON,
Secretary-Treasurer.

N.B.—The above meeting will be adjourned to Friday, December 12th, 1919, at same hour and place, when the meeting will proceed to business.

Montreal, November 5th, 1919.

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### The Royal Bank of Canada

DIVIDEND No. 129

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after Monday the first day of December next, to shareholders of record of 15th November.

By order of the Board.
C. E. NEILL,
General Manager.
Montreal, Que., Oct. 14, 1919.

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## RESPONSIBILITY OF THE EMPLOYER AND EMPLOYEE

### Worker Cannot be Proprietor and Dodge All Responsibility

### INVESTOR A FACTOR

### Capital Will Not be Available if There is No Assurance of Return With Reasonable Profits

**From the "National City Bank Review."**

It is a very wise saying that "you cannot eat your cake and have it, too," or, as they say in England, "you cannot have it both ways." The workman cannot at the same time exercise the authority of a proprietor and also be free of all responsibility and risk in the outcome of the business. Somebody makes a large investment to carry on a modern industry. That is a pledge to the workmen that he intends to carry on the business permanently and upon the common, prevailing conditions as affecting labor. He cannot well promise more, and he would be foolish to make the investment if he did not expect to do this. He may fail, and the workmen may be thrown out of employment, but in that event he has sunk his capital in the effort and there is every reason to believe that he has done his best to keep going. He furnishes the equipment, which represents labor done in the past, assumes the responsibility of paying fixed wages and takes the risks of loss against the chances of profit. If he wants to use more capital than his own, as is usually the case, he enters into the same kind of a bargain for that as he does for labor—agreeing to pay a fixed return, which the lender accepts without asking for any voice in the management. Authority and responsibility go together. When any party to the undertaking insists upon a guaranteed return he necessarily concedes some compensatory condition to the guarantor, and naturally it is that the latter shall have, if not the full say, at least the chief say in the management of the business.

#### Labor's Voice in Management

We do not say that Labor should not have representation in the management. We understand the position of labor generally to be that it does not ask for representation in determining the general policies, but only upon the conditions which directly surround the employment. If the proposition is thus limited it is comparatively simple, but our correspondent apparently does not so understand it.

We would say that there can be no hard and fast rule about the representation of labor in the management. It is not a question to be settled by theoretical arguments, but by the test of results. Any scheme under which business is unsuccessful will be worthless to labor. Every such device is a failure unless production is at least as large at it was before that device was adopted. for if production falls off labor will get less, and it is too practical to sacrifice real benefits. The main thing for labor is to get ahead as best it can—getting better homes, better education, more comforts, more experience, more knowledge, co-operating with the system which produces these day-by-day results, and, being assured that gains of this kind lead to everything else. The organization of society changes constantly, but gradually, with the development of its individual members. Nothing can stop this natural evolution. It is a great merit of the existing system that it is a developing system, not stereotyped or fixed.

#### The Problem One for Free Experiment

Thousands of managers are studying this problem of how to increase industrial efficiency by enlisting more interested co-operation on the part of their employees. A great many plans are being tried and developed, and this is the natural course of progress. Success is likely to be gained more rapidly this way than by the interference of any authority. Any plan imposed by the Government or by any such body as the Industrial Commission, would represent the theory of a small group who originated it. Nothing of the kind that is imposed upon industry from the outside can be as adaptable or successful as the methods which are spontaneously developed in the practical operations of industry. The degree and method of co-operation must be adaptable to different industries and different conditions.

The whole problem is one to be worked out by experiment and demonstration. The results will not be the same in all cases. Where the employees are wisely represented and enter cordially into the purpose of making an industry more efficient and more prosperous the results will be beneficial to all parties. On the other hand, if the representatives of the employees use the information and advantages that are conceded to them solely as a means of strengthening their own position in disputes with their employers, and as a basis for demands which do not take all the contingencies of the business into consideration, the experiment in such instances will fail.

Emerson speaks in one of his essays of the development of what he calls "facility of association," as the practical test of civilization. He meant the ability of men to get along together, work together, and plan and strive for the common interest. It requires a certain degree of intelligence, judicial poise, far-mindedness, receptiveness, toleration, generosity of spirit and mutual confidence. These traits develop as men come together and work together, as they read and reflect and debate, and as accumulations of capital in the form of improved machinery relieve them from exhausting physical labor.

The wage system is a compromise in co-operation advantageous in its simplicity, which enables people to work together in a fair degree of harmony who could not do so in more intimate relations.

#### Co-operation by Stock Ownership

The most simple and natural development of co-operation or profit-sharing is through participation by the wage workers in the ownership of the industries in which they are employed. Obviously, if this policy was steadily pursued, it would soon accomplish much in modifying the antagonism betwen employers and employees. There are 2,000,000 railroad employees in this country, and their average pay last year was over $1,500. If they would make an average investment of $50 per year in the stock of the roads for 10 years their proprietary interests would aggregate $1,000,000,000, and the total amount of railroad stocks outstanding is only about $8,000,000,000 par value, at this time selling on a basis of probably $5,000,000,000 or $6,000,000,000. A widespread distribution of railroad shares among employees and the general public would be far more desirable than the ownership of the roads by the Government.

Belief in the principles of democracy does not require us to hold that intelligence, thrift, providence and public spirit are qualities entitled to no weight in the Government or direction of industry. If society is to go forward the machinery of organization must be such that these qualities will have some preference and weight in the administration of affairs. Somebody must supply the fixed investment which every industry requires. Somebody must tie himself to the industry in this sense and have this permanent interest in its future, and obviously those who do so are entitled to a more influential voice in the management than those who do not, and it is also in the public interest that they shall have it. It is a just distinction, and the public is interested in the capable management of industry.

It will not do to say that the interest which an individual employee might hope to acquire in a large industry would be too small to furnish an incentive, for no new distribution of wealth or income by averages will make the average skilled workman better off than he is now.

#### The Attitude of Labor Organizations

The labor organizations accumulate large funds in their treasuries and pay out astonishing sums for strike purposes, as note the voting of $250,000 recently by the union organization of the garment trade for support of the steel strike. Evidently they might raise large sums for investment in industries, but perhaps wisely they avoid the risks of doing business on their own responsibility.

Moreover, they are frankly opposed to having their members acquire stock in the industries in which they are employed. They seek no development along proprietary lines or in community of interests with employers. Their policy is to organize the employees and oppose them as a solid body to the employing class. The effect is to emphasize and develop class feeling.

A noteworthy manifestation of this policy appeared last month when a group of union switchmen at Chicago refused to handle cars for the Wisconsin Steel Company, a subsidiary of the International Harvester Company, because said company has a "works council" in operation. This council is a body composed of officials and representatives of the workmen, organized to consider all problems that may arise in the operation of the works.

#### The Service of Capital

The census report shows that in 1899 the amount of capital employed in manufacturing was $1,770 to each person employed, while fifteen years later, in 1914, the amount of capital so employed was $2,880 to each person employed. What was the effect of this increased investment of capital? It put more effective equipment at the service of labor, increasing the output, besides having the effect in many cases of reducing the amount of hard manual toil. Moreover, the money-wages of wage-earners—increased. The census table shows that in the five years from 1899 to 1904, the number of wage-earners in manufacturing establishments increased 16 per cent., and the total wage-payments increased 30 per cent.; in the five years, 1904-1909, number of wage-earners increased 21 per cent. and wage-payments increased 31 per cent.; in the period of 1909-1914, number of wage-earners increased 6.4 per cent., and total wage payments increased 19 per cent. These figures and all other industrial reports are so uniform and consistent that they demonstrate the workings of economic law.

#### The Economic Law

These figures furnish proof of what the leading economists have always asserted, viz.; that the profits of capital which are left in industry, or returned to industry for its development, inure to the benefit of wage-earners and consumers, increasing the demand for labor and the distribution of products to the latter. Nothing inures to the capitalist personally except the earnings which he withdraws from business and spends upon himself. The unusual profits, the profits which excite antagonism, and are denounced as "profiteering" as a rule go back into industry for its development. It is true that in instances they may be unfairly obtained, but when they are used in industrial development the public has offsetting benefits. Nothing justifies injustice, but the natural economic law has its own way of correcting injustice. It doesn't always take care of individuals, but it takes care of society. The surplus profits of capital and excess earnings of individuals when invested in production for the public market become public capital, devoted to the common welfare as truly as though paid into the public treasury.

The sum of it all is that labor, or to put it differently, the mass of consumers, is the residuary legatee of all surplus wealth above what the rich actually consume. The consumption of the rich is an insignificant share of the total production.

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## GERMAN STEEL TRADE

### Russia and Eastern Europe Most Promising Market

NEW YORK.—Germany before the war was the world's principal exporter of steel. Whether or not that trade can be revived is a question of great importance in this country. Dr. Schneider, a member of the German Economic Department, expects that it will be, but for the immediate future he expects Russia and Eastern Europe to furnish the market; while the overseas trade will be monopolized by Germany's competitors.

In 1913 total exports of iron and steel from Germany amounted to $414,447,000, or nearly 18 per cent. of all exports. This was away above the $293,934,000 steel and iron exports of the United States in that year, when these shipments formed but 11 per cent. of our outgoing trade. For the last five pre-war years German exports of the products of her basic industry averaged $348,716,000 annually against imports of iron ore and "machineries" of average value of $59,546,000.

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*NEW ISSUE*

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Guaranteed 7% Cumulative Redeemable Preference Shares
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THE KING EDWARD CONSTRUCTION COMPANY, LIMITED, has been incorporated for the purpose of constructing an addition to the King Edward Hotel of Toronto, containing 500 Guest Rooms and other increased accommodation, at an estimated cost of $2,350,000. Upon completion of the construction, the building will be leased to the King Edward Hotel Company for a period of 30 years at a rental sufficient to provide all fixed charges, including the dividend of 7% on the Cumulative Preference Stock and 10% on the Common Stock of the Construction Company.

The controlling interest in the Company, represented by 50% of the Common Stock, will be owned by the present King Edward Hotel Company and will continue to be operated under the direction of the United Hotels Company of America, which Company is at present operating sixteen modern fire-proof Hotels in the United States and Canada.

Payment of the 7% Cumulative dividend on this Preference Stock is unconditionally and irrevocably guaranteed by the United Hotels Company of America and the King Edward Hotel Company, Limited.

The security for this Preference Stock is thoroughly adequate, and the earnings to be derived from the operation of the enlarged enterprise, estimated on the results at present being obtained from the existing accommodation of the King Edward Hotel Company, will be amply sufficient to provide for the payment of the dividend on both the Preference and Common Stock of the Company.

Price: Par ($100) Per Share
Carrying a bonus of thirty per cent. in Common Shares.

We recommend the purchase of these shares as an investment.
Complete prospectus and further information will be supplied upon request.

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# CHINESE PEOPLE NOW DIFFERENT AND WANT TO BUY

## There is a Market for the Canadian Exporter There

## BUSY COTTON MILLS

### Canadian Trade Commissioner in Shanghai Tells of the Activities of Once Mysterious Empire

Greater than ever before is the interest being taken by Canadians in the affairs of China; it is becoming more apparent every day that the Eastern countries, and China and Japan in particular, offer a great field for Canadian trade endeavor. Unfortunately there have been too many Canadians in the East seeking for goods to import, and few looking for markets; not that it means ill for Canada to import from the East, but the number of commercial travellers in China should exceed the number of buyers, if only to offset the flow of silver to the East.

Writing from Shanghai, J. W. Ross, Canadian Trade Commissioner, who has just returned to China from Canada, reports:

"Returning to China after an absence of only a few months, much commercial activity is observed on every hand. Several new firms have established themselves in Shanghai, and numerous brokerage and agency offices have opened up since the begining of the year. An army of commercial travellers—mostly Americans—have invaded this country during the past six months, and it is reported that some very substantial orders have been secured. It is estimated that two thousand American commercial travellers will have visited Far Eastern markets this year. Canadian manufacturers have not seen fit to follow the example of their neighbors to the south in this respect to any great extent.

### Canadians Visiting

"It is gratifying, however, to be able to state that Canadians appear to be showing a greater interest in China than has been the case in the past. Some notable Canadian men in public life, financiers and bankers, have within the past six months been making an intimate investigation of trade and other conditions in Japan and China. This is most gratifying, for there has been so little of it in the past; neither the public men of Canada nor the commercial men have as yet had a clear knowledge of conditions as they exist in these countries. Therefore it is gratifying to know that there are some people at the head of affairs in Canada who have come and seen for themselves and are now in a position to give to the public the value of their observations. Other Canadians have also visited this country within the same period; it is regrettable, however, that these seem not to have come with the object of selling Canadian goods, but rather to buy Chinese products, for which there was a great demand in Western Canada during the closing months of the war. Nevertheless if these men have not been the means of helping on Canada's export trade, they have at least come here and seen for themselves, and perhaps some day they may find it convenient and profitable to push Canadian goods in these markets. Others of our people to visit China this year were two representatives of some Canadian steel interests. I understand that both secured some very fair orders.

### Industries Are Busy

"China cannot forever remain uninfluenced by the industrial spirit of the age, but must eventually move, even if slowly, with the progress of other countries. This industrial awakening or development, or whatever it may be called, is shown in the present great activity in the establishment of cotton mills in different parts of China. The cotton industry is one that is peculiarly adapted to this country; the Chinese are by nature skilled in the production of silk and cotton textiles, much of which, although beautifully fine, has for ages been produced entirely by hand and under most primitive conditions. China is said to be the third greatest cotton-producing country in the world, taking third place after the United States and India. Cotton is cultivated in all the central and western provinces of the country, the crop being estimated to be from 1,500,000 to 2,000,000 bales.

### China's Cotton Trade

"After satisfying the demands of the different mills already in operation in 1918, the export of raw cotton to other countries—chiefly Japan—amounted to piculs, 1,292,094, or short tons, 86,139, valued at over $38,000,000 Canadian currency. With the raw material available to this extent, and with an abundance of labor particularly adapted to the industry, cotton spinning should make great progress in this country, and with a little Government assistance in the way of helping to introduce new seed and other experimental work, and the removal of the present most pernicious internal transit due, both on the raw cotton and the finished product, China should be within measurable distance of rendering itself independent of foreign sources for her cotton requirements, excepting perhaps in the higher counts and the finer and fancy styles of piece-goods. Definite orders have been given to the resident agents in Shanghai of British and American manufacturers for the necessary spinning equipment for twenty new cotton mills, being approximately 400,000 spindles. This number of new mills in addition to those already in operation will give China nearly 2,000,000 spindles, which, when in working order, should go far toward supplying a large portion of the great annual consumption of cotton cloth in this country. Cotton textiles are in great demand in all markets; the trade is extremely active and has recently been very profitable, which, no doubt accounts for the sudden great activity in the industry here recorded. The higher value of local money is also a most favorable factor; for the machinery necessary to equip a cotton mill could never have been laid down in China at the price in local dollars that is possible at the present time.

### Other Chinese Trades

In several other fields of industry much activity is also shown. In shipbuilding the three principal dock companies are each working to full capacity in the construction of new ships as well as in repair work. In structural steel work and concrete construction, there is also much going on. The flour mills and silk filatures are also busy; probably in an industrial sense China has never been so active any time in its history as at present. In building operations there is also much new work under way; mechanics of every kind find ready employment at increased wages, and although business is said to be rather dull in the interior, yet there is a general air of activity to be observed everywhere, and money is said to be plentiful in the country. Certainly Chinese local money has never had the purchasing value that it has to-day, all on account of the high price of silver and high exchange."

## AUTOS IN STATES

### How Many, Where They Are and Who Owns Them

NEW YORK.—A canvass of the automobile situation in the 48 states and District of Columbia shows that there will be 7,602,000 automobiles, both passenger and commercial, officially listed on Dec., 31 next. The 1919 registry, needless to say, will be a new high record and compares with actual tabulation of 6,225,192 cars at the end of 1918. This increase of 22 per cent. follows exactly the same progress during the 1918 year despite the purported shortage of cars. The 1919 registration more than doubles that for 1916.

By the turn of the new year there will be a car for every 14 persons in the United States based on the estimated population of 105,253,400 a year ago. In the New England states with a car for 15 persons and in the Eastern region with one for every 17 the showing is near to the average rate. However, the distribution through the country is not so uniform, with the ratio one for every 22 in the South, 10 in the Mid-West, nine in the far-West and one for every eight persons along the Pacific slope.

The "density" is greatest in those states where climatic conditions are mild and even all the year round and in the farming regions. Iowa still leads with a car for every 6.2 persons, Nebraska has a rating of 6.5, California 6.6, South Dakota 7, Kansas 7.1, Montana, 8.1, Minnesota 9 and so on. Incidentally, California's figures represent only actual individual fee registrations and if all replacements and manufacturers' and dealers' cars were included the total registration would be well over 500,000.

## WOOLWORTH SALES

### Increases In Gross Earnings Are Being Continued

NEW YORK.—F. W. Woolworth Co. reports sales for October and the ten months as follows:

| | 1919 | 1918 | Change |
|---|---|---|---|
| Oct. ..... | $10,742,643 | $ 9,333,666 | 15.10% |
| Ten mths. | 89,122,273 | 81,658,398 | 9.14% |

Of the gain reported in October the old stores accounted for $1,133,201, which is an unusually large proportion for old stores. This is undoubtedly due to the restrictions which were placed on business this time last year by coal conservation orders. The old stores accounted for $5,177,845 of the total gain in sales in the ten month period.

# BOUGHT TRUST FIRM ON BORROWED MONEY

## Father and Son Are Found Guilty of Wrecking Company

The Birdseye trial in Pittsburgh which has ended in the conviction of Clarence F. Birdseye, Kellogg Birdseye, his son, and George F. Montgomery, on a charge of wrecking the Pittsburgh Life and Trust Company, has disclosed one of the most daring conspiracies perpetrated in American financial circles in many years.

The testimony of the Commonwealth at the trial, which lasted almost two weeks, disclosed a scheme involving two large corporations and millions of dollars, carried through by the defendants with consummate attention to detail and legality without investing a cent of their own money, whereby the Pittsburgh Life and Trust Company was purchased with its own money, and the Dare Lumber Company of North Carolina, also bought with money from the local insurance company.

According to the evidence and as shown by the books of the various companies involved, Clarence F. Birdseye, in February, 1917, opened negotiations with the majority of stockholders of the Pittsburgh Life and Trust Company for the purchase of the stock of the company. The local men were eager to sell, as the death of the president of the company in November, 1916, left it without an experienced insurance man in charge.

Obtaining a credit of $120,000 in the Commercial Trust Company of New York on notes signed by himself and Montgomery, Birdseye was able to make a first payment of $10 a share on a controlling interest in the company, and was given control of the company, the old directors resigning one by one and nominees of Birdseye installed in their places.

The same day, this dummy board of directors, under the direction of Clarence F. Birdseye, passed resolutions authorizing the sale of the New York real estate of the company, which included the Washington Life and St. James Buildings, two Broadway skyscrapers. Bonds of the Dare Lumber Company were to be taken in exchange.

The day after the transfer of The Pittsburgh Life & Trust Company was accomplished, over $300,000 of its assets were transferred from Pittsburgh to New York by the Birdseyes and securities of the company in a New York safe deposit box, worth several millions, were taken by them to a broker's office for sale. It is claimed by the prosecution that money obtained in this manner was used by the defendants to buy the Dare Lumber Company for $1,000,000, which was done the next day.

Prior to the actual purchase of the Lumber Company the defendants had arranged for a $6,000,000 bond issue by the company, secured by a mortgage on its property and it was these bonds that were to be substituted for the real estate of the Pittsburgh Life and Trust Company.

## SEARS, ROEBUCK SALES

CHICAGO.—Sears, Roebuck Company's sales in October were the largest in the company's experience, amounting to $33,536,000. This was an increase of $12,655,000, or 60 per cent., as compared with the same month last year, and $11,511,000 above the September showing.

The remarkable growth of Sears, Roebuck & Co. in the past ten years is strikingly shown when it is stated that the combined September and October sales in the current year were practically equal to the amount reported in the full twelve months of 1909, three years after the company was incorporated.

Must School Teachers Starve?

CANADA is threatened with another epidemic—cheap teachers! A grave warning, showing the seriousness of the situation, has been made public by Sir Robert Falconer, President of the University of Toronto, through the medium of MACLEAN'S MAGAZINE.

The financial attractions in commerce and trade are proving such a lure to the clever Normal School and University graduates that public schools, high schools and universities throughout the Dominion are being driven to engage inferior teachers—if they can get any at all! One teacher in Ontario is paid the princely sum of $300 per annum.

The article gives the opinions on this vital topic of such men as: Sir Robert Falconer; Principal R. Bruce Taylor, of Queen's; Dean of Arts W. Sherwood Fox, of Western University; A. P. S. Glassco, Secretary of McGill; President MacLean, of the University of Manitoba; President Klinck, of Canada's youngest university—British Columbia; President A. Stanley Mackenzie, of Dalhousie; and many others.

"The Thread of Flame"

*By Basil King*

This famous Canadian novelist has written a remarkable story that deals with a man who loses his identity while fighting in France. This strong novel, "The Thread of Flame," starts in the December issue of MACLEAN'S. This is the first occasion that a novel by Mr. King has appeared in any Canadian periodical prior to book publication.

*Other Features of the December Number*

**"Merrie Gentlemen"**—By Arthur Beverley Baxter.
You will think this the best Christmas story since Dickens' "A Christmas Carol."

**"Capital and Labor"**—By Ralph Connor.
One of a series of articles on "The New Canada and It's Needs."

**"Ottawa is Ready for the Worst"**—By J. K. Munro.
A humorous and pithy review of events at the Federal seat.

**"Better Late Than Never"**—By C. W. Stephens.
A bright Christmas story.

**"Some Canadian Snobs"**—By Montgomery Dix.
A humorous article on some phases of Canadian society.

**"A Blighty Christmas"**—By Gertrude Arnold.
An article on the way Yuletide was celebrated in a Red Cross Hospital.

And a dozen other articles and stories all of equal interest.

**MACLEAN'S will be Twice-A-Month**

starting February 1st, next year. An important point to remember. If you want to keep up with things **nationally Canadian,** you'll have to get the MACLEAN'S Twice-A-Month habit.

*Over 350,000 Canadians Read*

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"CANADA'S NATIONAL MAGAZINE"

DECEMBER ISSUE *Now On Sale At All News Dealers* 20c

# CANADIAN WANTED TO REPAIR SHIPS SENT TO GERMANY

### Even Offered to Buy Outright in Exchange For Food Credits

## OFFER WAS REFUSED

### How British Ministry of Shipping Gave Germany Contracts That Canada Wanted is Told by "Canada"

**How the "bureaucratic ineptitude" of the British Minister of Shipping prevented Canadian firm from getting the contract for the repair of a part of the forty German vessels, which are now being towed from South American ports to Germany for repair, is told by "Canada" of London, England. "Canada" says:**

"The apparent sacrifice by the British Ministry of Shipping of the interests of Canada and a Canadian shipping enterprise has been disclosed by the information just made public that the contract for the repair of some forty German vessels interned in South American waters has been granted to German interests.

"Where Canada's interests have suffered is in the fact that the Ministry of Shipping previously refused, first, an offer to buy the ships, register ten of them in Canada for her merchant marine and use the purchase price as a credit for the supply of foodstuffs from Canada to Germany; and, secondly, an offer by the Anderson Co., of which Mr. J. Herbert Anderson, a Canadian, is head, to repair the vessels at a very moderate profit and put them in commission for the British Government. As a result of these refusals the vessels, which might have been in service six months ago, are still unrepaired.

**Anderson's Offer**

"The fate of these vessels was made the subject of a question asked of the Government in the British House of Commons some months ago, after two had been lost in a storm while lying in a Chilean port. Theirs is a long history. After having been interned and damaged by their German owners, the armistice found them still in Chilean waters. As at the time no definite decision had been taken as to the disposal of enemy tonnage, the Anderson Co., of New York and Montreal, made a proposal to purchase the boats at an approximate price of $30,000,000, this purchase money to be used as a credit for the supply of food and raw materials which the allies had agreed to sell to Germany. The Anderson Company had also obtained the consent of the German owners of the vessels for their sale, on condition that the money be placed as a credit for foodstuffs in Canada or the United States. The company thereupon put their proposition before the Allied Governments and assumed the responsibility for fitting out the vessels in the shortest possible time. This was at a time when the increase of tonnage for Canadian trade was a paramount necessity, and the Canadian Government therefore saw fit to refer the matter to Great Britain, recommending that the proposition should be accepted with the following conditions:

(1) That the purchase money should be deposited in Canada for the payment of food supplies.

(2) That ten of the vessels should be registered in Canada to augment her merchant marine.

**Britain Would Not Consent**

At this time the sanction of the other Allied Governments had been obtained, as stated, and it only remained for Britain to give her consent. Mr. Anderson himself appeared before the Ministry of Shipping and presented the case. But the proposition was refused, and this, though some higher officials of the Government expressed it as their individual opinion that the arrangement would be in the best interests of all concerned. It is understood the reasons given to Mr. Anderson were that the ownership of the tonnage was still vested in Germany, and that an agreement for the disposition of the vessels had already been arrived at. These arguments, however, were rather remarkable ones in view of the willingness of the German owners to sell the tonnage and of the other Allies to allow its sale.

"However, after being given this answer, the Anderson Company made an alternative suggestion, that they be authorized to repair the ships at cost, plus £1 per ton, the whole scheme to be financed by themselves until the ships were actually delivered in Great Britain. The company had already made precise surveys of the damage done to the ships, and had been informed of the whereabouts of certain parts concealed by the German crews. They offered to consult the convenience of the Allies in every possible way and deliver the ships in six months' time.

**The Loss to Canada**

"This offer was also refused, or, at least, not accepted, and Mr. Anderson returned to New York. While there he heard rumors that the contract for repairing the ships was to be given to Germany, and he came to London to ascertain the facts. A fortnight ago he was informed by the Ministry of Shipping that the rumors were correct.

"Failing some justification of its attitude by the Ministry of Shipping, its action appears to be a unique illustration of how not to encourage Imperial sentiment. No matter how efficient the German workmen may be, their offer cannot be much more advantageous than that of the Anderson Co., who were willing to accept a very low profit and to submit to the examination of experts, to be appointed by the Ministry of Shipping, their figures for cost of the repairs. And when it is considered that one year's delay must ensue between the completion of the present contract and that which might have been made, it will be seen how great a loss has resulted to every interest concerned, and more particularly to Canadian export trade. The vessels will have to be towed to Germany for repair."

## EMPLOYMENT SITUATION

### Conditions Not So Good First Week of November

OTTAWA.—Reports from employers to the Dominion headquarters of the Employment Service of Canada, Department of Labor, indicate that the employment situation was less satisfactory during the week ending November 8 than during the preceding weeks, heavy decreases having been registered.

Returns for the week ending November 8 were tabulated from the reports of 4,915 firms, a still larger number than hitherto, of which firms 2,222 were in Ontario; 1,158 in Quebec; 459 in Maritime Provinces; 735 in the Prairie Provinces, and 341 in British Columbia. These firms reported 695,467 employees on their combined payrolls, as compared with 700,067 during the preceding week, a decrease of 4,600 persons, or .7 per cent. An anticipated increase of 1,352 persons, or .2 per cent. for the week ending November 15, partly compensated for the decrease during the week in question, however.

## DOMINION IS THIRD IN SHIPBUILDING

### Canada Played an Important Part in Great Britain's Program

LONDON.—In the widely scattered Dominions of the British Empire, there were 174 ships, of 308,465 tons, under construction at the end of September. In the point of production, the Dominions were preceded only by the United States and the United Kingdom, according to Lloyd's list.

The great bulk of the "Dominion's" shipbuilding is done in Canada. Of the present total no fewer than 127 vessels of 221,548 tons are being built in that Dominion, leaving only 47 vessels of 86,917 tons for all the other Dominions and Colonies. It may be noted also that although 23 vessels of 53,833 tons are being built on the Canadian Lakes, these are all steel steamers. while the coast total includes 49 wooden steam or motor vessels of 48,950 tons, and 26 wooden sailing vessels of 10,745 tons.

In tonnage, the self-propelled steel vessels in Canadian seaboard shipyards are nearly double those on the Lakes, while their average size is 3,720 tons, as compared with the "inland" average of 2,340. Wooden self-propelled vessels in seaboard yards average 1,000 tons, and wooden sailing vessels a little over 400 tons. By far the best work is being done in the seaboard yards, where steel steamers are being built. The contribution of this section of the industry is largest, and it is composed of the types which are most likely to be of permanent value as units in the shipping of the Empire.

**Passing Phases Reviewed**

Of the four classes of vessels under construction in Canada one may be discounted altogether in any consideration of the future of British shipping, while another may be very largely discounted. Wooden sailing vessels of 400 tons can never be of any value except for coasting purposes, and even for these they will not be able to compete with steel steamers after constructional costs fall to something like a normal level.

Of really effective shipping, therefore. Canada's present record consists of the seaboard and Lakes total of fifty-two vessels of 161,853 tons. These are all steel steamers or motor ships of modern types, and even those built on the Lakes must be taken into account in any comprehensive consideration of overseas shipping services. Fairly large vessels can now be taken through the Welland Canal to the open sea—by the process of transport in sections—and, given favorable economic conditions, there is no reason why builders on the Lakes should not compete with those on the seaboard.

## PACKERS' PROBLEMS

### Severe Inventory Shrinkages Have Been Experienced

NEW YORK.—During the past two months the big packers of the U. S. have had to absorb one of the most severe and unexpected inventory shrinkages that they have experienced in many a year. The story is so interesting that it deserves a little detailed explanation. The killing and buying season of the packers begins about November 1. From that date until July 1 the inventory of the packers as a group is on a gradually ascending scale. By July 1 the packers enter their largest selling season, and for two months rapidly distribute their products to their legion of customers all over the world.

In September and October inventories of the packers are lower than at any other period, and this is one reason why Swift & Co. for years closed its fiscal 12 months on September 30. Last year it moved its fiscal year forward one month to November 2. The packers assembled their 1918 inventory in expectation of a normal, steady market during the heavy selling season of 1919. They quite naturally figured on the continuance of a very heavy export demand for packing house products. But two factors that had been totally unforeseen developed.

In the first place, disorganization of exchange prevented Europe buying in the quantity anticipated. The check in European demand, which undoubtedly is only temporary, created a condition where the packers were moving too small a volume of products to market to liquidate inventory as rapidly as expected. Just at the time when the exchange disorganization was making itself felt the Government precipitated its campaign for reduction in the cost of living. The two factors coming in conjunction produced a very heavy decline in the price of cattle, and particularly hogs. In July the price of hogs was 23½ cents, and within the last week or two the price has been as low as 13½ cents, a decline of 10 cents a pound. The reduction in cattle prices has not been quite so severe, but still has been drastic enough to have created a very serious inventory shrinkage. It has been estimated by Chicago interests that during the past 60 days the five leading packers have taken losses in inventory running between $50,000,000 and $60,000,000.

There is, of course, a bright sale to this situation. It consists in the fact that in the killing and buying season now about to start, the packers will begin to assemble their inventory on a very much lower price level than would have been the case had there not been this drastic break in prices, so that for 1920 it is entirely conceivable that some advance in the general level of cattle, and hog prices will at least partially atone for this abnormal and unexpected inventory shrinkage.

It should, of course, be appreciated that a company so vast as Swift & Co. never reduces its inventory to a point which is inconsequential. For instance, on November 2, 1918. Swift & Co. had an inventory according to the balance sheet of $179,000,000, a sum equal to 15 per cent. of its annual gross turnover.

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Treasury Stock in

**Federal Zinc and Lead Company Limited**

No Personal Liability

This issue is for the purpose of completing the equipment of the Company's property for mining, milling and smelting, and to provide transportation facilities between the company's mines and the nearest town with rail and water facilities for shipping its products.

No portion of the proceeds will be used to defray the expenses of the development work to date, which is now advanced to the point where commercial production only awaits the equipment named above.

**BOARD OF DIRECTORS:**

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**LOCATION OF PROPERTIES:**

The Federal Zinc and Lead Company, Limited, owns 755 acres, and holds sixty-three per cent. in a perpetual lease on a further 391 acres in the projected township of Lemieux, Gaspe County, in the Province of Quebec. The mines are situated near the headwaters of the Berry Mountain Brook, and will be connected by road with Cascapedia, near where the Grand Cascapedia River enters the Bay of Chaleurs.

**Par Value: $5.00 per Share**

**PRICE:**

**$4.00**

Per Share

Fully Paid and Non-Assessable

**AUTHORIZED CAPITALIZATION: $3,000,000**

Approximately 8,000 tons of high-grade ore rich in Zinc and Lead Sulphides and remarkably free from iron and other impurities, have been mined and are ready for milling. Samples of this ore may be seen at 244 St. James Street, Montreal.

***Full Information:***

We court the fullest inquiry regarding the mining property and the nature of the deposits. We will send upon request a book of facts, extracts from the provincial report and a blue print showing the vein system.

Write to or call at

**Federal Zinc and Lead Company**
LIMITED

OFFICE FOR SALE OF STOCK: 244 St. James Street, MONTREAL
Telephone, Main 7328
HEAD OFFICE: Guarantee Bldg., 285 Beaver Hall Hill, MONTREAL
BANKERS: The Royal Bank of Canada